

CCS SCS HCS HB 1270 & 1027 -- MISSOURI RENEWABLE FUEL STANDARD ACT

This bill establishes the Missouri Renewable Fuel Standard Act which requires, by January 1, 2008, that all gasoline sold in Missouri contain at least 10% agriculturally derived, denatured ethanol by volume unless exempted by the federal Environmental Protection Agency, by a rule promulgated by the Director of the Department of Agriculture, or by an executive order issued by the Governor. Any regional waiver will be implemented so as not to give any region a competitive advantage or disadvantage. The provisions of the bill do not apply to premium gasoline, E75-E85 fuel ethanol, bulk transfers between terminals, or gasoline sold for use in aircraft.

If a distributor is unable to purchase fuel ethanol or fuel ethanol-blended gasoline at the terminal from a position holder or supplier at the same or a lower price as unblended gasoline, the purchase of unblended gasoline by the distributor and the sale of the gasoline at retail will not be a violation of the gasoline-content requirement.

All fuel terminals in the state except those that only offer federal reformulated gasoline for sale must offer fuel ethanol, fuel ethanol-blended gasoline, and unblended gasoline.

Fuel retailers, wholesalers, distributors, and marketers are allowed to purchase fuel ethanol from any terminal, position holder, fuel ethanol producer, fuel ethanol wholesaler, or supplier. If a court of competent jurisdiction determines that this provision does not apply to or improperly impairs existing contractual relationships, it will apply only to future relationships.

A "Missouri qualified biodiesel producer" is defined as a facility that is at least 51% owned by Missouri resident agricultural producers who are actively engaged in agricultural production for commercial purposes or a facility that uses at least 80% Missouri feedstock in the production of biodiesel. The feedstock requirement may be waived by the Director of the Department of Agriculture on a month-to-month basis if the facility provides verification that an adequate supply of Missouri feedstock is not available.

The Missouri Qualified Biodiesel Incentive Fund will expire December 31, 2009. Producers receiving incentive grants prior to the expiration date will be eligible to receive all remaining incentive grants as specified in the bill.