

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2750

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**Version:** As Introduced

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**Subject:** BioDiesel Mandate

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### Overview

The 2002 Legislature passed a law requiring that after a certain date (probably not later than July 1, 2005) most diesel fuel sold in the state must contain not less than two percent biodiesel fuel. House File 2750 clarifies the application of the mandate and appropriates money to partially reimburse fuel terminal operators for capital expenditures for biodiesel fuel handling equipment if the mandate should be repealed within eight years after the trigger date.

#### Section

- 1**      **Definition; terminal.** Adds a definition of "terminal" as it applies to fuel storage and distribution facilities.
- 2**      **In-state terminal requirement.** A new subdivision of law that all blending of biodiesel fuel with diesel fuel must occur at a terminal. Biodiesel fuel must not be added to blended diesel fuel after it leaves the terminal.
- 3**      **Distributor expense reimbursement.** An amendment to existing language clarifies that reimbursable expenses in case the legislature should repeal the biodiesel mandate are limited to unrecovered capital expenditures incurred by the operator of a terminal.
- 4**      **Appropriation.** A blank sum is appropriated from the general fund to the commissioner of agriculture in fiscal year 2005 to provide for possible reimbursements to terminal operators under section 239.771, subdivision 2 (section 3, above).