

# SENATE BILL 261

C2, M4, M3

71r0396

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By: **Senators Garagiola, Brinkley, Colburn, Conway, Forehand, Hogan, Hooper, Jacobs, Jones, Klausmeier, Kramer, Lenett, Madaleno, McFadden, Mooney, Pugh, and Raskin**

Introduced and read first time: January 29, 2007

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Biodiesel Renewable Fuel Act**

3 FOR the purpose of requiring certain retail service station dealers to sell a certain  
4 percentage of biodiesel in diesel fuel on an annual basis under certain  
5 circumstances; providing for the increase in the percentage of biodiesel that  
6 must be sold in the State, by certain years, and under certain circumstances;  
7 requiring the Secretary of Agriculture to make certain determinations;  
8 requiring certain retail service station dealers to provide certain evidence to the  
9 Secretary and the Comptroller on an annual basis; requiring the Department of  
10 Agriculture and the Comptroller to jointly establish an Advisory Committee to  
11 facilitate the implementation of this Act; requiring the Advisory Committee to  
12 make a certain annual report; exempting the sale of aviation fuel from the  
13 provisions of this Act; and generally relating to the use of biodiesel in the State.

14 BY repealing and reenacting, without amendments,  
15 Article – Agriculture  
16 Section 10–1501(a) and (b)  
17 Annotated Code of Maryland  
18 (1999 Replacement Volume and 2006 Supplement)

19 BY repealing and reenacting, without amendments,  
20 Article – Business Regulation  
21 Section 10–101(k)  
22 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2004 Replacement Volume and 2006 Supplement)

2 BY adding to  
3 Article – Business Regulation  
4 Section 10–325  
5 Annotated Code of Maryland  
6 (2004 Replacement Volume and 2006 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article – Agriculture**

10 10–1501.

11 (a) In this subtitle the following words have the meanings indicated.

12 (b) “Biodiesel” means an alternative motor fuel produced from a renewable  
13 resource such as vegetable oil or animal fat.

14 **Article – Business Regulation**

15 10–101.

16 (k) “Retail service station dealer” means a person who operates a retail place  
17 of business where motor fuel is sold and delivered into the fuel supply tanks of motor  
18 vehicles.

19 **10–325.**

20 (A) **“BIODIESEL” HAS THE MEANING STATED IN § 10–1501 OF THE**  
21 **AGRICULTURE ARTICLE.**

22 (B) (1) **ON OR BEFORE JANUARY 1, 2009, OR WHEN THE SECRETARY**  
23 **OF AGRICULTURE DETERMINES THAT PRODUCTION OF BIODIESEL IN THE**  
24 **STATE IS SUFFICIENT, AT LEAST 2% OF THE TOTAL DIESEL FUEL SOLD IN THE**  
25 **STATE BY RETAIL SERVICE STATION DEALERS EACH YEAR SHALL BE BIODIESEL.**

26 (2) **ON OR BEFORE JANUARY 1, 2012, OR WHEN THE SECRETARY**  
27 **OF AGRICULTURE DETERMINES THAT PRODUCTION OF BIODIESEL IN THE**

1 STATE IS SUFFICIENT, AT LEAST 5% OF THE TOTAL DIESEL FUEL SOLD IN THE  
2 STATE BY RETAIL SERVICE STATION DEALERS EACH YEAR SHALL BE BIODIESEL.

3 (C) THE SECRETARY OF AGRICULTURE SHALL PUBLISH THE  
4 DETERMINATIONS MADE UNDER SUBSECTION (B) OF THIS SECTION IN THE  
5 MARYLAND REGISTER.

6 (D) RETAIL SERVICE STATION DEALERS SHALL PROVIDE EVIDENCE OF  
7 THEIR BIODIESEL SALES TO THE DEPARTMENT OF AGRICULTURE AND THE  
8 COMPTROLLER ON AN ANNUAL BASIS.

9 (E) (1) ON OR BEFORE JANUARY 1, 2008, THE DEPARTMENT OF  
10 AGRICULTURE AND THE COMPTROLLER SHALL JOINTLY ESTABLISH AN  
11 ADVISORY COMMITTEE TO FACILITATE THE IMPLEMENTATION OF THIS  
12 SECTION.

13 (2) THE ADVISORY COMMITTEE SHALL MAKE AN ANNUAL  
14 REPORT, WHICH INCLUDES INFORMATION ON:

15 (I) IMPLEMENTATION OF THIS SECTION, INCLUDING ANY  
16 LOGISTICAL, TECHNICAL, AND ECONOMIC ISSUES;

17 (II) COMPLIANCE AND ENFORCEMENT OF THIS SECTION;  
18 AND

19 (III) NEW ADVANCEMENTS IN RENEWABLE FUELS.

20 (3) THE ADVISORY COMMITTEE SHALL REPORT TO THE  
21 PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE, THE SENATE  
22 EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE, THE  
23 HOUSE ENVIRONMENTAL MATTERS COMMITTEE, AND THE GOVERNOR, IN  
24 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

25 (F) THIS SECTION DOES NOT APPLY TO THE SALE OF AVIATION FUEL.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 October 1, 2007.