

# CHAPTER 540

(Senate Bill 261)

AN ACT concerning

~~**Biodiesel Renewable Fuel Act**~~  
**Task Force on Renewable Alternative Fuels**

FOR the purpose of ~~requiring certain retail service station dealers to sell a certain percentage of biodiesel in diesel fuel on an annual basis under certain circumstances; providing for the increase in the percentage of biodiesel that must be sold in the State, by certain years, and under certain circumstances; requiring the Secretary of Agriculture to make certain determinations; requiring certain retail service station dealers to provide certain evidence to the Secretary and the Comptroller on an annual basis; requiring the Department of Agriculture and the Comptroller to jointly establish an Advisory Committee to facilitate the implementation of this Act; requiring the Advisory Committee to make a certain annual report; exempting the sale of aviation fuel from the provisions of this Act; and generally relating to the use of biodiesel in the State~~ establishing a Task Force on Renewable Alternative Fuels; providing for the membership of the Task Force; requiring the Secretary of Agriculture to chair the Task Force; requiring the Department of Agriculture to provide staff for the Task Force; prohibiting members of the Task Force from receiving certain compensation; providing for the duties of the Task Force; requiring the Task Force to report to the Governor, the Senate Finance Committee, and the House Economic Matters Committee; providing for the termination of this Act; and generally relating to the Task Force on Renewable Alternative Fuels.

~~BY repealing and reenacting, without amendments,  
Article — Agriculture  
Section 10-1501(a) and (b)  
Annotated Code of Maryland  
(1999 Replacement Volume and 2006 Supplement)~~

~~BY repealing and reenacting, without amendments,  
Article — Business Regulation  
Section 10-101(k)  
Annotated Code of Maryland  
(2004 Replacement Volume and 2006 Supplement)~~

~~BY adding to~~

~~Article — Business Regulation~~

~~Section 10-325~~

~~Annotated Code of Maryland~~

~~(2004 Replacement Volume and 2006 Supplement)~~

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

~~**Article — Agriculture**~~

~~10-1501.~~

- ~~(a) In this subtitle the following words have the meanings indicated.~~
- ~~(b) “Biodiesel” means an alternative motor fuel produced from a renewable resource such as vegetable oil or animal fat.~~

~~**Article — Business Regulation**~~

~~10-101.~~

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

~~10-325.~~

~~(A) “BIODIESEL” HAS THE MEANING STATED IN § 10-1501 OF THE AGRICULTURE ARTICLE.~~

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

~~(2) ON OR BEFORE JANUARY 1, 2012, OR WHEN THE SECRETARY OF AGRICULTURE DETERMINES THAT PRODUCTION OF BIODIESEL IN THE STATE IS SUFFICIENT, AT LEAST 5% OF THE TOTAL DIESEL FUEL SOLD IN THE STATE BY RETAIL SERVICE STATION DEALERS EACH YEAR SHALL BE BIODIESEL.~~

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

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

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

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

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

~~(II) COMPLIANCE AND ENFORCEMENT OF THIS SECTION;~~  
~~AND~~

~~(III) NEW ADVANCEMENTS IN RENEWABLE FUELS.~~

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

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

(a) There is a Task Force on Renewable Alternative Fuels.

(b) The Task Force consists of the following members:

(1) One member of the Senate of Maryland, appointed by the President of the Senate;

(2) One member of the House of Delegates, appointed by the Speaker of the House;

- (3) The State Comptroller, or the Comptroller's designee;
  - (4) The Secretary of Agriculture, or the Secretary's designee;
  - (5) The Secretary of the Environment, or the Secretary's designee;
  - (6) The ~~Executive~~ Director of the Maryland Energy Administration, or the ~~Executive~~ Director's designee;
  - (7) One representative from the Mid-Atlantic Petroleum Distributors' Association;
  - (8) One representative from the Maryland Motor Truck Association;
  - (9) One representative from the Maryland Petroleum Council;
  - (10) One representative from the Washington, Maryland, Delaware Service Station and Automotive Repair Association;
  - (11) One representative of the Maryland Farm Bureau; and
  - (12) One representative from groups that advocate for the environment.
- (c) The Secretary of Agriculture shall appoint the nondesignated members of the Task Force.
- (d) The Secretary of Agriculture shall chair the Task Force.
- (e) The Department of Agriculture shall provide staff for the Task Force.
- (f) A member of the Task Force may not receive compensation as a member of the Task Force but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
- (g) The Task Force shall:
- (1) Study ways to integrate biodiesel and other renewable fuels into motor fuels used in State and local public fleets;
  - (2) Study incentives or mandates to integrate biodiesel and other renewable fuels in the private and public sector;

- (3) Study home heating issues;
- (4) Determine the economic and environmental impact on Maryland, including Maryland agriculture, regarding the use of biodiesel and other renewable fuels;
- (5) Determine how the use of biodiesel and other renewable fuels affects agricultural supplies and fuel supplies in Maryland; and
- (6) Examine Maryland energy policy in terms of the following factors:
  - (i) Improving domestic (Maryland) energy supply and security as it pertains to liquid fuels;
  - (ii) Currently available sources of renewable alternative fuels to the Maryland market and the quantities available;
  - (iii) Sources, types, and quantities of renewable alternative fuels potentially available to the Maryland market in the next 3 years;
  - (iv) Infrastructure improvements needed;
  - (v) Investment needed and potential return on investment;
  - (vi) Opportunities for the petroleum industry;
  - (vii) Relevant policies in other states and federal policies; and
  - (viii) A timeline for future review.
- (h) The Task Force shall report its findings and recommendations on or before December 31, 2007, to the Governor, and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Economic Matters Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2007~~ July 1, 2007. It shall remain effective for a period of 1 year and, at the end of June 30, 2008, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, May 17, 2007.**