<u>SHB 2757</u> - H AMD **1044** By Representative Doglio

ADOPTED AS AMENDED 02/13/2018

- On page 5, beginning on line 11, strike all of section 6 and insert the following:
- 3 "Sec. 6. RCW 19.112.110 and 2013 c 225 s 601 are each amended to 4 read as follows:
 - (1)(a) Until July 1, 2019, special fuel licensees under chapter 82.38 RCW, as determined by the department of licensing, must provide evidence to the department of licensing that at least two percent of the total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel((, following the earlier of: (a) November 30, 2008; or (b) when a determination is made by the director, published in the Washington State Register, that feedstock grown in Washington state can satisfy a two-percent requirement.
 - (2) Special fuel licensees under chapter 82.38 RCW, as determined by the department of licensing, must provide evidence to the department of licensing that at least five percent of total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel, when the director determines, and publishes this determination in the Washington State Register, that both in-state oil seed crushing capacity and feedstock grown in Washington state can satisfy a three-percent requirement.
 - (3) The requirements of subsections (1) and (2) of this section may take effect no sooner than one hundred eighty days after the determination has been published in the Washington State Register.
 - (4) The director and the director of licensing must each adopt rules, in coordination with each other, for enforcing and carrying out the purposes of this section)).
- 27 (b) Beginning July 1, 2019, all diesel fuel sold in Washington by
 28 a special fuel licensee must contain a minimum of two percent
 29 biomass-based diesel fuel on an annual average basis. Each special
 30 fuel licensee must provide evidence to the department of licensing
 31 demonstrating attainment of this standard on an annual basis for all
 32 diesel fuel sold by the special fuel licensee.

(2) Beginning July 1, 2021, all diesel fuel sold in Washington by a special fuel licensee must contain a minimum of five percent biomass-based diesel fuel on an annual average basis. Each special fuel licensee must provide evidence to the department of licensing demonstrating attainment of this standard on an annual basis for all diesel fuel sold by the special fuel licensee.

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- (3) The department of licensing shall adopt rules to implement this section, including authority for monthly and annual reporting and recordkeeping requirements for biomass-based diesel fuel, enforcement authority, and penalties in the event of noncompliance by a special fuel licensee with the requirements of this section or the department of licensing's rules. The department of licensing shall adopt rules by December 31, 2018.
- 14 (4) For the purposes of this section, "biomass-based diesel fuel"

 15 has the same meaning as provided in 40 C.F.R. Sec. 80.1401, as it

 16 existed on the effective date of this section."

<u>EFFECT:</u> Requires that all diesel fuel sold in Washington by a special fuel licensee contain a minimum of two percent biomass-based diesel fuel on an annual average basis beginning July 1, 2019, and five percent beginning July 1, 2021. Requires the Department of Licensing to develop rules to implement the Renewable Fuel Standard by December 31, 2018. Establishes a definition for "biomass-based diesel fuel."

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