

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 807

PRINTER'S NO. 3586

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

February 23, 2011

PRIME SPONSOR

Representative Sonney

HISTORY OF BILL

Referred to AGRICULTURE AND RURAL AFFAIRS, Feb. 23, 2011

Reported as amended, March 1, 2011

First consideration, March 1, 2011

Laid on the table, March 1, 2011

Removed from table, May 3, 2011

Laid on the table, May 3, 2011

Removed from table, June 8, 2011

Second consideration, June 13, 2011

Re-committed to APPROPRIATIONS, June 13, 2011

Re-reported as committed, June 14, 2011

Third consideration and final passage, June 14, 2011 (200-2)

In the Senate

Referred to ENVIRONMENTAL RESOURCES AND ENERGY, June 17, 2011

Reported as amended, April 2, 2012

First consideration, April 2, 2012

Re-referred to APPROPRIATIONS, May 1, 2012

Re-reported as amended, May 22, 2012

DESCRIPTION AND PURPOSE OF BILL

House Bill 807 makes the following changes to the Biofuel Development and In-State Production Incentive Act:

- Requires biodiesel blends meet certain American Society for Testing and Materials International (ASTM) specifications based on the percentage of biodiesel.
- Exempts home heating fuel oil of any grade and fuel stored at a nuclear power plant from the requirements of the act and exempts diesel fuel produced from 100% Pennsylvania grade crude oil by a small refiner from further increases in the percentage of biodiesel required by volume.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

- Establishes biodiesel blending requirements for biodiesel which is created in the Commonwealth or imported.
- Requires any person selling biodiesel blend or biodiesel for use by consumers to register with the Department of Agriculture on an annual basis.
- Specifies a bill of lading or shipping manifest be provided to any person that receives biodiesel blend, including certification the biodiesel blend was created by an approved method, the name and location where it was created, the registration number assigned by the department, biodiesel content as a volume percentage, the ASTM specifications and, the total gallons sold.
- Requires a copy of the bill of lading be retained by the retailer for a one-year period if it is part of an enforcement action and requires a copy to remain at the facility where the biodiesel is sold until it leaves the faculty, after which it may be retained at the corporate headquarters.
- Requires certification by the retailer that the biodiesel meets quality standards as defined under the act.
- Provides that the department may employ all proper means for the enforcement of that act, including issuing notices and orders, initiating criminal prosecution, seeking injunctive relief, imposing civil penalties and, entering into consent agreements.
- Provides the department with authority to conduct unannounced random inspections of facilities that sell, store or transfer diesel, biodiesel or biodiesel blend during regular business hours, take samples, test fuel, audit and copy books and records, and to issue stop sale orders until the fuel being sold is made compliant.
- Provides that a person that willfully and intentionally interferes with an employee of the department in the performance of the duties conferred to the department under the act commits a misdemeanor of the 3rd degree.
- Provides the department may assess civil penalties for a knowing violation of the act.
- Provides that a person who knowingly violates a provision of the act commits a summary offense for the first violation and 3rd degree misdemeanor for a subsequent violation within two years of sentencing for a prior violation.
- Establishes a restricted account within the State Treasury to be known as the Biofuel Development Account in which funds appropriated to the department for administration of the act, all fines, judgments and penalties collected under the act and interest earnings are to be deposited. In addition, all money deposited in the account is to be appropriated on a continuing basis to the department for the enforcement and administration of the act.

The legislation will take effect in 30 days.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

FISCAL IMPACT:

The enactment of House Bill 807 will have no adverse fiscal impact on Commonwealth Funds.

The Department of Agriculture believes it can accomplish the administrative and enforcement related provisions contained in the bill within its existing its general government operations budget as part of its program of testing for volume within the Bureau of Weights and Measures.