

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 699 of the Regular Session

1 State of Arkansas

As Engrossed: S2/8/07 S3/21/07

2 86th General Assembly

A Bill

3 Regular Session, 2007

SENATE BILL 237

4
5 By: Senators R. Thompson, J. Jeffress, G. Jeffress, Broadway

6 By: Representatives Sullivan, Thyer, Petrus, Wells, Abernathy, Allen, Berry, Blount, Cooper, Cornwell,

7 L. Cowling, Dickinson, Dunn, L. Evans, Everett, Garner, Gaskill, Kenney, Kidd, Lovell, Lowery,

8 Maxwell, Medley, Patterson, Ragland, Saunders, *L. Smith*

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11 **For An Act To Be Entitled**

12 AN ACT TO DEVELOP THE ALTERNATIVE FUELS INDUSTRY
13 IN ARKANSAS BY ESTABLISHING GOALS FOR THE
14 PRODUCTION OF ALTERNATIVE FUELS, STANDARDS FOR
15 THE PERCENTAGE OF ALTERNATIVE FUELS IN THE DIESEL
16 FUEL USED IN MOTOR VEHICLES, AND STANDARDS FOR
17 QUALITY OF ALTERNATIVE FUELS; AND FOR OTHER
18 PURPOSES.

19
20 **Subtitle**

21 TO DEVELOP THE ALTERNATIVE FUELS
22 INDUSTRY IN ARKANSAS BY ESTABLISHING
23 GOALS FOR THE PRODUCTION OF AND
24 STANDARDS FOR ALTERNATIVE FUELS USED IN
25 MOTOR VEHICLES.

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28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

29
30 *SECTION 1. Arkansas Code Title 15 is amended to add an additional*
31 *chapter to read as follows:*

32 *15-13-101. Title.*

33 *This chapter shall be known and may be cited as the "Arkansas*
34 *Alternative Fuels Development Act".*



1 15-13-102. Definitions.

2 As used in this subchapter:

3 (1) "Alternative fuels" means biofuels or ethanol;

4 (2)(A) "Biofuels" means a renewable, biodegradable, combustible
5 liquid fuel derived from biomass or other renewable resources that can be
6 used as transportation fuel, combustion fuel, or refinery feedstock and that
7 meets the American Society for Testing and Materials Specification and
8 federal quality requirements as in effect on February 1, 2007, for each
9 category or grade of fuel.

10 (B) "Biofuels" includes without limitation:

11 (i) Biodiesel or renewable diesel;

12 (ii) Renewable gasoline;

13 (iii) Renewable jet fuel;

14 (iv) Renewable naptha;

15 (v) Biocrude; and

16 (vi) Other renewable, biodegradable, mono alkyl
17 ester combustible fuel derived from biomass;

18 (3)(A) "Biomass" means any matter derived from plants or animals
19 that is used for the production of alternative fuels.

20 (B) "Biomass" includes residues or byproducts from:

21 (i) Agricultural production;

22 (ii) Agricultural processing;

23 (iii) Forest or wood resources;

24 (iv) Forestry or wood production; or

25 (v) Forestry or wood processing.

26 (C) "Biomass" includes plant material from crops that are
27 produced for use in the production of alternative fuels and cellulosic
28 biomass.

29 (D) "Biomass" does not include recycled petroleum oil;

30 (4) "Ethanol" means ethyl alcohol derived from biomass that:

31 (A) Meets the American Society for Testing and Materials
32 Specification D4806-04a for ethanol as in effect on January 1, 2007; and

33 (B) Is denatured as specified in 27 C.F.R. Part 20 and Part
34 21 as in effect on January 1, 2007;

35 (5) "Other renewable resources" means any material that can be
36 recycled, regenerated, reclaimed, or reused; and

1 (6) "State agency" means any office, board, commission,
2 department, council, bureau, or other entity created by the General Assembly.

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4 15-13-103. Alternative fuels production goal.

5 The per annum goal for alternative fuels production at production
6 facilities in the state is fifty million gallons (50,000,000 gal.) by October
7 1, 2008.

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9 15-13-104. Biofuels standard for state vehicles and state equipment.

10 Beginning on January 1, 2009, all diesel-powered motor vehicles, light
11 trucks, and equipment owned or leased by a state agency shall be operated
12 using diesel fuel that contains a minimum of two percent (2%) biofuels by
13 volume.

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15 15-13-105. Allowances for variance of the biofuels standard.

16 The Director of the Department of Finance and Administration may grant
17 a waiver for a variance from the biofuels standard under § 15-13-104 if the
18 applicant demonstrates one (1) or more of the following:

19 (1) The cost of diesel fuel that is blended with biofuels
20 exceeds the cost of diesel that does not contain biofuels by fifteen cents
21 (15¢) per gallon or more;

22 (2) Diesel fuel blended with biofuels is not available for
23 purchase in the geographic region; or

24 (3) Compliance with the biofuels standard is not economically
25 feasible.

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27 15-13-106. Quality determinations and testing.

28 (a) The Arkansas Bureau of Standards of the State Plant Board shall
29 make the determination that alternative fuels used in this state:

30 (1) Are useable in motor vehicles;

31 (2) Meet the specifications for biofuels and ethanol as provided
32 under § 15-13-102; and

33 (3) Undergo quality assurance testing to ensure fuel quality and
34 continued consumer confidence in alternative fuels.

35 (b) The Director of the Arkansas Bureau of Standards may:

36 (1) Establish a fuel testing laboratory;

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(2) Contract with a laboratory for testing;

(3) Adopt rules on false and misleading advertising, labeling,
and posting of prices; and

(4) Adopt the standards for alternative fuels.

15-13-107. Rules.

The Director of the Department of Finance and Administration shall
promulgate rules and regulations to provide for the administration of this
chapter.

/s/ R. Thompson

APPROVED: 3/30/2007