CHAMBER ACTION

<u>Senate</u> <u>House</u>

Representative Mayfield offered the following:

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Amendment (with title amendment)

Remove lines 5315-5472 and insert:

Section 91. Section 526.201, Florida Statutes, is created to read:

526.201 Short title.--Sections 526.201-526.207 may be cited as the "Florida Renewable Fuel Standard Act."

Section 92. Section 526.202, Florida Statutes, is created to read:

526.202 Legislative findings.--The Legislature finds it is vital to the public interest and to the state's economy to establish a market and the necessary infrastructure for renewable fuels in this state by requiring that all gasoline offered for sale in this state include a percentage of agriculturally derived, denatured ethanol. The Legislature 067875

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further finds that the use of renewable fuel reduces greenhouse gas emissions and dependence on imports of foreign oil, improves the health and quality of life for Floridians, and stimulates economic development and the creation of a sustainable industry that combines agricultural production with state-of-the-art technology.

Section 93. Section 526.203, Florida Statutes, is created to read:

526.203 Renewable fuel standard.--

- (1) DEFINITIONS.--As used in this act:
- (a) "Blender," "importer," "terminal supplier," and "wholesaler" are defined as provided in s. 206.01.
- (b) "Blended gasoline" means a mixture of 90 to 91 percent gasoline and 9 to 10 percent fuel ethanol, by volume, that meets the specifications as adopted by the department. The fuel ethanol portion may be derived from any agricultural source.
- (c) "Fuel ethanol" means an anhydrous denatured alcohol produced by the conversion of carbohydrates that meets the specifications as adopted by the department.
- (d) "Unblended gasoline" means gasoline that has not been blended with fuel ethanol and that meets the specifications as adopted by the department.
- (2) FUEL STANDARD.--Beginning December 31, 2010, all gasoline sold or offered for sale in Florida by a terminal supplier, importer, blender, or wholesaler shall be blended gasoline.
- (3) EXEMPTIONS.--The requirements of this act do not apply to the following:

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- (a) Fuel used in aircraft.
- (b) Fuel sold for use in boats and similar watercraft.
- (c) Fuel sold to a blender.
- (d) Fuel sold for use in collector vehicles or vehicles eligible to be licensed as collector vehicles, off-road vehicles, motorcycles, or small engines.
- (e) Fuel unable to comply due to requirements of the United States Environmental Protection Agency.
 - (f) Fuel transferred between terminals.
- (g) Fuel exported from the state in accordance with s. 206.052.
- (h) Fuel qualifying for any exemption in accordance with chapter 206.
 - (i) Fuel for a railroad locomotive.
- (j) Fuel for equipment, including vehicle or vessel, covered by a warranty that would be voided, if explicitly stated in writing by the vehicle or vessel manufacturer, if the equipment were to be operated using fuel meeting the requirements of subsection (2).

All records of sale of unblended gasoline shall include the following statement: "Unblended gasoline may be sold only for

the purposes authorized under s. 526.203(3), F.S."

(4) REPORT.--Pursuant to s. 206.43, each terminal supplier, importer, blender, and wholesaler shall include in its report to the Department of Revenue the number of gallons of blended and unblended gasoline sold. The Department of Revenue shall provide a monthly summary report to the department.

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Section 94. Section 526.204, Florida Statutes, is created to read:

526.204 Waivers and suspensions. --

- wholesaler is unable to obtain fuel ethanol or blended gasoline at the same or lower price as unblended gasoline, then the sale or delivery of unblended gasoline by the terminal supplier, importer, blender, or wholesaler shall not be deemed a violation of this act. The terminal supplier, importer, blender, or wholesaler shall, upon request of the department, provide the required documentation regarding the sales transaction and price of fuel ethanol, blended gasoline, and unblended gasoline to the department.
- (2) To account for supply disruptions and ensure reliable supplies of motor fuels in the state, the requirements of this act shall be suspended when the provisions of s. 252.36(2) in any area of the state are in effect plus an additional 30 days.

Section 95. Section 526.205, Florida Statutes, is created to read:

526.205 Enforcement; extensions.--

(1) Unless a waiver or suspension pursuant to s. 526.204 applies, or an extension has been granted pursuant to subsection (3), it shall be unlawful for a terminal supplier, importer, blender, or wholesaler to sell or distribute, or offer for sale or distribution, any gasoline which fails to meet the requirements of this act.

- (2) Upon a determination by the department of a violation of this act, the department shall enter an order imposing one or more of the following penalties:
 - (a) Issuance of a warning letter.
- (b) Imposition of an administrative fine of not more than \$1,000 per violation for a first-time offender. For a secondtime or repeat offender, or any person who is shown to have willfully and intentionally violated any provision of this act, the administrative fine shall not exceed \$5,000 per violation. When imposing any fine under this section, the department shall consider the monetary benefit to the violator as a result of noncompliance, whether the violation was committed willfully, and the compliance record of the violator. All funds recovered by the department shall be deposited into the General Inspection Trust Fund.
- wholesaler may apply to the department by September 30, 2010, for an extension of time to comply with the requirements of this act. The application for an extension must demonstrate that the applicant has made a good faith effort to comply with the requirements but has been unable to do so for reasons beyond the applicant's control, such as delays in receiving governmental permits. The department shall review each application and make a determination as to whether the failure to comply was beyond the control of the applicant. If the department determines that the applicant made a good faith effort to comply, but was unable to do so for reasons beyond the applicant so control, the department

- shall grant an extension of time determined necessary for the applicant to comply.
- Section 96. Section 526.206, Florida Statutes, is created to read:
 - 526.206 Rules.--The Department of Revenue and the

 Department of Agriculture and Consumer Services are authorized
 to adopt rules pursuant to ss. 120.536(1) and 120.54 to
 implement the provisions of this act.
 - Section 97. Section 526.207, Florida Statutes, is created to read:

526.207 Studies and reports.--

- (1) The Florida Energy and Climate Commission shall conduct a study to evaluate and recommend the life-cycle greenhouse gas emissions associated with all renewable fuels, including, but not limited to, biodiesel, renewable diesel, biobutanol, and ethanol derived from any source. In addition, the commission shall evaluate and recommend a requirement that all renewable fuels introduced into commerce in the state, as a result of the renewable fuel standard, shall reduce the life-cycle greenhouse gas emissions by an average percentage. The commission may also evaluate and recommend any benefits associated with the creation, banking, transfer, and sale of credits among fuel refiners, blenders, and importers.
- (2) The Florida Energy and Climate Commission shall submit a report containing specific recommendations to the President of the Senate and the Speaker of the House of Representatives no later than December 31, 2010.

HOUSE AMENDMENT Bill No. HB 7135

Amendment No.

154

155	TITLE AMENDMENT
156	Remove lines 315-318 and insert:
157	and reporting; creating s. 526.204, F.S.; providing for waivers;
158	providing for suspension of standard requirement during declared
159	emergencies; creating s. 526.205, F.S.; providing for
160	enforcement of the act; providing for extensions; creating s.
161	526.206, F.S.;