Chapter 567

(Senate Bill 961)

AN ACT concerning

State Vehicle Fleet <u>and Gasoline Service Facilities</u> – Use <u>and Selling</u> of Biofuels

FOR the purpose of altering the requirement that the State ensure that at least a certain percentage of vehicles using diesel fuel in the State vehicle fleet use a blend of fuel containing at least a certain percentage of biodiesel fuel to include the use of certain biofuels; providing that a certain provision does not apply to a State vehicle, piece of heavy equipment, or heating equipment under certain circumstances; <u>repealing certain requirements regarding the leasing of gasoline service stations located on the John F. Kennedy Memorial Highway; authorizing the Maryland Transportation Authority to require a gasoline service facility <u>located on the John F. Kennedy Memorial Highway to sell a blend of fuel containing at least a certain percentage of biodiesel fuel or certain other biofuel;</u> and generally relating to the use of biofuels for the State vehicle fleet.</u>

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement Section 14–408 Annotated Code of Maryland (2009 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, with amendments,

<u>Article – Transportation</u> <u>Section 4–404</u> <u>Annotated Code of Maryland</u> (2008 Replacement Volume and 2010 Supplement)

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

Article – State Finance and Procurement

14 - 408.

(a) In this section, "biodiesel fuel" means:

(1) a fuel, comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, that is designated B100 and meets the requirements of ASTM D 6751 and its successors; or

(2) a blend of biodiesel fuel meeting ASTM D 6751 with petroleum-based diesel fuel, designated as BXX, where XX represents the volume percentage of biodiesel fuel in the blend.

(b) In fiscal year 2008 and in each subsequent fiscal year, the State shall ensure that at least 50% of the vehicles using diesel fuel in the State vehicle fleet use a blend of fuel that is at least 5% biodiesel fuel OR OTHER BIOFUEL APPROVED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY AS A FUEL OR FUEL ADDITIVE OR APPROVED UNDER THE EPA RENEWABLE FUELS STANDARD 2 PROGRAM.

(c) In fiscal year 2009 and in each subsequent fiscal year, the State shall ensure that at least 50% of the heavy equipment owned by the State using diesel fuel and at least 50% of the heating equipment in State buildings that uses normal or #2 heating oil use, subject to availability, a blend of fuel that is at least 5% biodiesel fuel OR OTHER BIOFUEL APPROVED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY AS A FUEL OR FUEL ADDITIVE OR APPROVED UNDER THE EPA RENEWABLE FUELS STANDARD 2 PROGRAM.

(d) This section does not apply to any State vehicle, piece of heavy equipment, or heating equipment for which mechanical failure due to use of biodiesel fuel **OR OTHER BIOFUEL** will void the manufacturer's warranty for that vehicle, piece of heavy equipment, or heating equipment.

<u>Article – Transportation</u>

<u>4–404.</u>

(a) <u>The Authority shall construct any gasoline service facilities that it finds to</u> <u>be needed on the John F. Kennedy Memorial Highway.</u>

[(b) (1) To give users of the highway a reasonable choice of motor fuels manufactured, produced, or marketed by different companies, at a reasonable price, each gasoline service station shall be offered for lease in accordance with Division II of the State Finance and Procurement Article and this section.

(2) <u>To promote competition and prevent monopolies, a sufficient</u> <u>number of gasoline service stations operated by at least 2 different companies may be</u> <u>established among the service areas along the highway.</u>

(3) One person may not be awarded a lease for or have the use of more than one half of the total number of service stations on the entire highway, and 1 supplier, distributor, or retailer of motor fuel may not have the right to market fuel *identified by its trademark, trade name, or brand at more than one half of the total number of service stations on the entire highway.*]

(B) THE AUTHORITY MAY REQUIRE A GASOLINE SERVICE FACILITY LOCATED ON THE JOHN F. KENNEDY MEMORIAL HIGHWAY TO SELL A BLEND OF FUEL THAT IS AT LEAST 5% BIODIESEL FUEL OR OTHER BIOFUEL APPROVED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY AS A FUEL OR FUEL ADDITIVE OR APPROVED UNDER THE EPA RENEWABLE FUELS STANDARD 2 PROGRAM.

(c) The Authority shall regulate the prices of fuel products sold on the highway to the extent necessary to achieve reasonable costs to patrons.

(d) <u>The lessee of any service station established under this section shall accept</u> in payment for products sold and services rendered those credit cards that the <u>Authority directs.</u>

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2011.

Approved by the Governor, May 19, 2011.