

110TH CONGRESS
1ST SESSION

H. R. 3781

To amend the Clean Air Act to promote and assure the quality of biodiesel fuel, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 9, 2007

Mr. HILL (for himself, Mr. SHIMKUS, Ms. VELÁZQUEZ, Mr. HULSHOF, Ms. HERSETH SANDLIN, Mr. GRAVES, Mr. BRALEY of Iowa, Mr. PETERSON of Minnesota, Mr. BOSWELL, and Mr. CLEAVER) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Clean Air Act to promote and assure the quality of biodiesel fuel, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Biodiesel Promotion
5 and Quality Assurance Act of 2007”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the promotion of the biodiesel industry of
9 the United States is a critical component of an en-

1 energy policy that reduces dependence on foreign
2 sources of petroleum;

3 (2) a strong biodiesel industry will—

4 (A) significantly enhance the energy secu-
5 rity of the United States; and

6 (B) promote economic development and job
7 creation (particularly in rural areas of the
8 United States), while providing environmental,
9 health, and greenhouse gas reduction benefits;

10 (3) a federally-implemented biodiesel standard
11 will result in the most efficient pricing for biodiesel
12 across the United States;

13 (4) it is critical to ensure that only high quality
14 biodiesel is dispensed;

15 (5) biodiesel contributes to cleaner air and
16 lifecycle reductions of greenhouse gases;

17 (6) biodiesel is an environmentally safe fuel,
18 and is the most viable transportation fuel when
19 measuring its carbon footprint, life cycle and energy
20 balance;

21 (7) the United States Department of Agri-
22 culture lifecycle study shows a 78.4 percent reduc-
23 tion in lifecycle CO₂ for B100;

24 (8) 1 billion gallons of biodiesel will reduce cur-
25 rent life cycle greenhouse gas emissions by 16.12 bil-

1 lion pounds, the equivalent of removing 1.4 million
2 passenger vehicles from America’s roads; and

3 (9) in 2006 alone, biodiesel’s contribution to re-
4 ducing greenhouse gas emissions was equal to re-
5 moving 350,000 passenger vehicles from America’s
6 roads.

7 **SEC. 3. BIODIESEL FUEL STANDARD.**

8 Section 211 of the Clean Air Act (42 U.S.C. 7545)
9 is amended by inserting after subsection (o) the following:

10 “(p) BIODIESEL FUEL.—

11 “(1) DEFINITIONS.—In this subsection:

12 “(A) ASTM.—The term ‘ASTM’ means
13 the American Society of Testing and Materials.

14 “(B) BIO-BASED DIESEL REPLACEMENT.—
15 The term ‘bio-based diesel replacement’ means
16 any type of bio-based renewable fuel derived
17 from plant or animal matter that—

18 “(i) may be used as a substitute for
19 standard diesel fuel; and

20 “(ii) meets—

21 “(I) the registration require-
22 ments for fuels and fuel additives
23 under this section; and

24 “(II) the requirements of applica-
25 ble ASTM standards.

1 “(C) BIODIESEL.—

2 “(i) IN GENERAL.—The term ‘bio-
3 diesel’ means the monoalkyl esters of long
4 chain fatty acids derived from plant or ani-
5 mal matter that meet—

6 “(I) the registration require-
7 ments for fuels and fuel additives
8 under this section; and

9 “(II) the requirements of ASTM
10 standard D6751.

11 “(ii) INCLUSION.—For the purpose of
12 measuring the applicable volume of the
13 biodiesel fuel standard under paragraph
14 (2), the term ‘biodiesel’ includes any bio-
15 based diesel replacement that meets—

16 “(I) applicable registration re-
17 quirements for fuels and fuel additives
18 under this section; or

19 “(II) applicable ASTM stand-
20 ards.

21 “(D) BIODIESEL BLEND.—The term ‘bio-
22 diesel blend’ means a blend of biodiesel fuel
23 that meets the requirements of ASTM standard
24 D6751 with petroleum-based diesel fuel.

25 “(2) BIODIESEL FUEL STANDARD.—

1 “(A) IN GENERAL.—Not later than 1 year
 2 after the date of enactment of this subsection,
 3 the Administrator shall promulgate regulations
 4 to ensure that diesel fuel sold or introduced into
 5 commerce in the United States, on an annual
 6 average basis, contains the applicable volume of
 7 biodiesel determined in accordance with sub-
 8 paragraphs (B) and (C).

9 “(B) CALENDAR YEARS 2008 THROUGH
 10 2012.—For the purpose of subparagraph (A),
 11 the applicable volume for any of calendar years
 12 2008 through 2012 shall be determined in ac-
 13 cordance with the following table:

“Calendar year:	Applicable volume of biodiesel (in millions of gallons):
2008	450
2009	625
2010	800
2011	1,000
2012	1,250.

14 “(C) CALENDAR YEAR 2013 AND THERE-
 15 AFTER.—For the purpose of subparagraph (A),
 16 the applicable volume for calendar year 2013
 17 and each calendar year thereafter shall be de-
 18 termined by the Administrator, in consultation
 19 with the Secretary of Energy and the Secretary
 20 of Agriculture, based on a review of the imple-
 21 mentation of the program during calendar years
 22 2008 through 2012, including a review of—

1 “(i) the impact of the use of renew-
2 able fuels on the environment, air quality,
3 energy security, job creation, and rural
4 economic development; and

5 “(ii) the expected annual rate of fu-
6 ture production of biodiesel.

7 “(D) MINIMUM PERCENTAGE OF BIO-
8 DIESEL.—For the purpose of subparagraph
9 (B), at least 80 percent of the minimum appli-
10 cable volume for each of calendar years 2008
11 through 2012 shall be biodiesel.

12 “(E) COMPLIANCE.—The regulations pro-
13 mulgated under subparagraph (A) shall contain
14 compliance provisions applicable to refineries,
15 blenders, distributors, and importers, as appro-
16 priate, to ensure that the requirements of this
17 paragraph are met, but shall not—

18 “(i) restrict geographic areas in which
19 biodiesel may be used; or

20 “(ii) impose any per-gallon obligation
21 for the use of biodiesel.

22 “(F) WAIVERS.—

23 “(i) MARKET EVALUATION.—The Ad-
24 ministrators, in consultation with the Sec-
25 retary of Energy and the Secretary of Ag-

1 riculture, shall continually evaluate the im-
2 pact of the biodiesel requirements estab-
3 lished under this paragraph on the price of
4 diesel fuel.

5 “(ii) WAIVER.—If the Administrator
6 determines that there is a significant bio-
7 diesel feedstock disruption or other market
8 circumstances that would make the price
9 of biodiesel fuel unreasonable, the Admin-
10 istrator, with the concurrence of the Sec-
11 retary of Energy and the Secretary of Ag-
12 riculture, shall issue an order to reduce,
13 for a 60-day period, the quantity of bio-
14 diesel required under subparagraph (A) by
15 an appropriate quantity that does not ex-
16 ceed 15 percent of the applicable annual
17 requirement for biodiesel.

18 “(iii) FACTORS.—In making deter-
19 minations under this subparagraph, the
20 Administrator shall consider—

21 “(I) the purposes of this Act;

22 “(II) the differential between the
23 price of diesel fuel and the price of
24 biodiesel; and

1 “(III) the impact the biodiesel
2 mandate has on consumers.

3 “(iv) EXTENSIONS.—If the Adminis-
4 trator determines that the feedstock dis-
5 ruption or circumstances described in
6 clause (ii) is continuing beyond the 60-day
7 period described in clause (ii) or this
8 clause, the Administrator, with the concur-
9 rence of the Secretary of Energy and the
10 Secretary of Agriculture, may issue an
11 order to reduce, for an additional 60-day
12 period, the quantity of biodiesel required
13 under subparagraph (A) by an appropriate
14 quantity that does not exceed an additional
15 15 percent of the applicable annual re-
16 quirement for biodiesel.

17 “(v) RESTORATION.—If the Adminis-
18 trator determines that the feedstock dis-
19 ruption or circumstances described in
20 clause (ii) or (iv) has concluded and that
21 it is practicable, the Administrator, with
22 the concurrence of the Secretary of Energy
23 and the Secretary of Agriculture, may
24 issue an order to increase the quantity of
25 biodiesel required under subparagraph (A)

1 by an appropriate quantity to account for
2 the gallons of biodiesel not used during the
3 period a waiver or extension was in effect
4 under this subparagraph.

5 “(G) PREEMPTION.—

6 “(i) IN GENERAL.—Except as pro-
7 vided in clause (ii) of this subparagraph,
8 the provisions of this section shall super-
9 sede any law of any State or political sub-
10 division thereof insofar as it mandates the
11 use of biodiesel.

12 “(ii) CONSTRUCTION AND APPLICA-
13 TION.—Nothing in this section shall be
14 construed—

15 “(I) to supersede any biodiesel
16 mandate provided in any law de-
17 scribed in clause (i) that is enacted as
18 of January 1, 2008;

19 “(II) to prohibit a State or polit-
20 ical subdivision thereof from man-
21 dating the use of biodiesel in vehicles
22 owned by such State or political sub-
23 divisions thereof; or

24 “(III) to prohibit a State or po-
25 litical subdivision thereof from enact-

1 ing financial incentives to promote the
2 voluntary use of biodiesel.”.

3 **SEC. 4. BIODIESEL QUALITY.**

4 Subsection (p) of section 211 of the Clean Air Act
5 (42 U.S.C. 7545) (as added by section 3(a)) is amended
6 by adding at the end the following:

7 “(3) BIODIESEL QUALITY.—

8 “(A) QUALITY REGULATIONS.—Not later
9 than 180 days after the date of enactment of
10 this subsection, the Administrator, in consulta-
11 tion with the Secretary of Energy and the Sec-
12 retary of Agriculture, shall promulgate regula-
13 tions to ensure that only high-quality biodiesel
14 that is consistent with appropriate ASTM
15 International standards for biodiesel and bio-
16 diesel blends is introduced into commerce.

17 “(B) ENFORCEMENT.—The Administrator
18 shall establish an inspection program to ensure
19 that biodiesel and biodiesel blends entering
20 commerce meets the standards established
21 under subparagraph (A).

22 “(C) VIOLATIONS.—Regardless of whether
23 the Administrator promulgates regulations
24 under subparagraph (A), it shall be a violation
25 of this Act to produce or distribute—

1 “(i) biodiesel or any bio-based diesel
2 replacement that does not meet the re-
3 quirements of ASTM standard D6751; or

4 “(ii) a biodiesel blend that does not
5 meet the equivalent ASTM standard, as
6 determined by the Administrator.

7 “(D) FUNDING.—There are authorized to
8 be appropriated to carry out this paragraph
9 \$3,000,000 for each of fiscal years 2008
10 through 2010.”.

11 **SEC. 5. BIODIESEL LABELING.**

12 Subsection (p) of section 211 of the Clean Air Act
13 (42 U.S.C. 7545) (as amended by section 4) is amended
14 by adding at the end the following:

15 “(4) BIODIESEL LABELING.—

16 “(A) IN GENERAL.—Each retail diesel fuel
17 pump shall be labeled in a manner that informs
18 consumers of the percent of biodiesel that is
19 contained in the biodiesel blend that is offered
20 for sale, as determined by the Administrator.

21 “(B) LABELING REQUIREMENTS.—Not
22 later than 180 days after the date of enactment
23 of this subsection, the Administrator shall pro-
24 mulgate biodiesel labeling requirements as fol-
25 lows:

1 “(i) Biodiesel blends that contain less
2 than or equal to 5 percent biodiesel by vol-
3 ume and that meet ASTM D975 diesel
4 specifications shall not require any addi-
5 tional labels.

6 “(ii) Biodiesel blends that contain
7 more than 5 percent biodiesel by volume
8 but not more than 20 percent by volume
9 shall be labeled ‘contains biodiesel in quan-
10 tities between 5 percent and 20 percent’.

11 “(iii) Biodiesel blends that contain
12 more than 20 percent biodiesel by volume
13 shall be labeled ‘contains more than 20
14 percent biodiesel’.”.

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