

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
57th LEGISLATURE - REGULAR SESSION
CONFERENCE COMMITTEE ON SENATE AMENDMENTS TO HOUSE BILL 644**

Call to Order: By **CHAIRMAN BOB DEPRATU**, on April 17, 2001 at
1:00 P.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Pete Ekegren (R)
Rep. Donald L. Hedges, Chairman (R)
Rep. Frank Smith (D)

Members Excused: Sen. Dan Harrington (D)

Members Absent: None.

Staff Present: Dave Boyer, Legislative Branch
Robyn Lund, Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Conference Committee HB 644

REPRESENTATIVE JEFF PATTISON, HD 95, said that the amendment that had gone on in the Senate Subcommittee that dealt with the Highway State Special Revenue Account hadn't made sense to him. When he asked Mr. Petesch for legal guidance, Mr. Petesch said that the amendment didn't make a lot of sense to him either. Therefore, Mr. Petesch wrote up a new amendment that would make it make sense. **EXHIBIT (cch84hb0644a01)** These are just for clarification.

REP. PATTISON had also been in touch with someone with the National Diesel Institute in an attempt to get clarification on biodiesel. There is a handout that covers what he was told. There will be an amendment to clarify. **EXHIBIT (cch84hb0644a02)** ASTM is a standardization on a national level of what biodiesel is and what they have already done in accordance with it. This would be added in an attempt to keep everything standardized on a national level.

Dave Boyer, Legislative Staff, clarified that this would be in addition to the definition that is already contained in the bill, or would it be a substitute definition. **SENATOR BOB DePRATU** thought that it would be a substitute. That would be the proper way if we want to go with the American standard. **REP. PATTISON** agreed that would be the logical way to do that.

SEN. DePRATU asked if the American standard of biodiesel includes the 10% alcohol. **SEN. EKEGREN** thought that could be added as a clarification. **Mr. Boyer** was unsure if that could be done. He can draft it so that it means both or so that it only means one.

REP. HEDGES suggested that, to be fair with the legislative body, it be in addition, so that they are not taking away anything that was already agreed upon, but just meeting the standard.

SEN. DePRATU said that his concern would be muddying the statute with double meanings, if they are actually two different meanings. Biodiesel means that it has to have the alcohol in it.

REP. PATTISON said that biodiesel can have esterified oil in it too. Oftentimes, the grease from fast food restaurants can be recycled into biodiesel. The definition that he had passed out in committee said that it can also include 10% ethanol alcohol in the blend. He pointed out that this would most likely not take effect for at least two years, so the next legislative session can clarify further if it is needed.

SEN. DePRATU asked for Mr. Boyer to comment on having an "and" in there as opposed to a single definition. **Mr. Boyer** said that, from a technical perspective, it doesn't make any difference. From a policy perspective, there is the potential for confusion.

Bob Turner, Fuel Tax Management and Analysis Bureau, commented that his only concern is that right now in the definition there is the 10% threshold for ethanol alcohol. He is not familiar with the American standard, is there is a certain percentage for a threshold in that as well? **REP. PATTISON** said that was his understanding, in talking to the person from the National Diesel Institute in Missouri, was that it was just to clarify the national standard on what biodiesel was.

REP. SMITH thought that they should have it on rather than redo the body of the bill.

Motion/Vote: **REP. PATTISON** moved amendment re: diesel definition be adopted. Motion passed unanimously.

Motion/Vote: **REP. PATTISON** moved amendment HB064401.agp be adopted. Motion passed unanimously.

Motion/Vote: **REP. HEDGES** moved that HB 644 do pass as amended. Motion passed unanimously.

ADJOURNMENT

Adjournment: 1:20 P.M.

SENATOR BOB DePRATU, Chairman

ROBYN LUND, Secretary

BD/RL