

SENATE BILL NO. 422
INTRODUCED BY BLACK, KITZENBERG

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT AFTER JULY 1, 2005, ALL GASOLINE SOLD AT RETAIL TO CONSUMERS FOR USE IN MOTOR VEHICLES TO BE OPERATED ON THE PUBLIC HIGHWAYS, ROADS, AND STREETS OF THIS STATE BE BLENDED WITH 10 PERCENT, BY VOLUME, OF AGRICULTURALLY DERIVED, DENATURED ETHANOL AND PROVIDING THAT THE GASOLINE MAY NOT CONTAIN THE ADDITIVE COMMONLY KNOWN AS MTBE (METHYL TERTIARY BUTYL ETHER); CREATING CERTAIN EXCEPTIONS TO THE REQUIREMENT TO USE ETHANOL-BLENDED GASOLINE; PROVIDING FOR ENFORCEMENT BY THE DEPARTMENT OF LABOR AND INDUSTRY; AND AMENDING SECTION 82-15-110, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Required use of gasoline blended with ethanol.** (1) After July 1, 2005, all gasoline sold at retail to consumers for use in motor vehicles to be operated on the public highways, roads, and streets of this state must be blended with 10%, by volume, of agriculturally derived, denatured ethanol and may not contain ~~any~~ MORE THAN TRACE AMOUNTS of the additive commonly known as MTBE (methyl tertiary butyl ether).

(2) Except as provided in [section 2], after July 1, 2005, a fuel retailer who sells gasoline to consumers to be used in their vehicles on the public highways, roads, and streets of this state may not accept gasoline for sale to consumers or sell gasoline to consumers that is not ethanol blended as provided in subsection (1) or that contains the additive MTBE.

(3) Agriculturally denatured ethanol referred to in subsection (1) may be denatured only as specified in Title 27, parts 20 and 21, of the Code of Federal Regulations.

NEW SECTION. **Section 2. Exemptions from use of ethanol-blended gasoline.** (1) Gasoline that is not ethanol blended as required in [section 1] may be sold or dispensed at a public or private racecourse if the gasoline is intended to be used exclusively as a fuel for off-highway motor sports racing events.

(2) A gasoline retailer may sell or offer for sale nonethanol-blended gasoline for use in collector vehicles, vehicles eligible to be licensed as collector vehicles, off-road vehicles, motorcycles, boats, AIRPLANES AUTHORIZED

TO USE GASOLINE, snowmobiles, or small engines.

Section 3. Section 82-15-110, MCA, is amended to read:

"82-15-110. Unlawful acts. It is unlawful to:

(1) use any meter or mechanical device for the measurement of gasoline or liquid fuels unless the ~~same~~ meter or mechanical device has been approved by the department and sealed as correct;

(2) change or in any way tamper with the department's seal without written consent from the department;

(3) make hose delivery from petroleum vehicle tanks unless the tanks have been calibrated by the department under 82-15-108;

(4) sell or deliver liquefied petroleum to a consumer as a liquid or vapor, ~~except~~ except as provided by 82-15-109;

(5) sell or offer for sale or deliver liquefied petroleum to a consumer as a liquid or vapor the measurement of which has not been temperature corrected to 60 degrees F by means of an automatic compensating device ~~which~~ that has been approved, calibrated, and sealed by the department, unless otherwise provided by the department;

(6) sell, offer, or expose for sale any petroleum product for which standards or minimum specifications have been set by the department unless the ~~commodities~~ petroleum product in all respects ~~meet~~ meets the tests and standards prescribed;

(7) sell, offer, or expose for sale any petroleum product ~~which~~ that is adulterated, mislabeled, or misrepresented with respect to the use for which it is reasonably intended; or

(8) sell, offer, or expose for sale nonethanol-blended gasoline or gasoline that contains methyl tertiary butyl ether (MTBE) in violation of the provisions of [section 1] after July 1, 2005."

NEW SECTION. Section 4. Codification instruction. [Sections 1 and 2] are intended to be codified as an integral part of Title 82, chapter 15, part 1, and the provisions of Title 82, chapter 15, part 1, apply to [sections 1 and 2].

NEW SECTION. SECTION 5. CONTINGENT VOIDNESS. IF THE 58TH LEGISLATURE DOES NOT PASS AND THE GOVERNOR DOES NOT APPROVE A LAW THAT AMENDS 15-70-204(3) TO INCREASE THE TAX ON GASOHOL FROM 85% OF THE TAX IMPOSED IN 15-70-204(1), THEN [THIS ACT] IS VOID.

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