

HCS SS SCS SB 657 -- INCOMPATIBLE MOTOR FUELS

SPONSOR: Munzlinger (Houghton)

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Agriculture Policy by a vote of 9 to 5. Voted "Do Pass with HCS" by the Select Committee on Agriculture by a vote of 7 to 2.

This bill specifies that except in cases of fraud or misrepresentation on the application for coverage, an owner or operator of an underground storage tank may not be denied insurance benefits by the Petroleum Storage Tank Insurance Fund or other provider of financial responsibility solely because the owner or operator's claim comes from a release of a regulated petroleum substance deemed incompatible with the storage tank system.

Any refiner, supplier, wholesaler, distributor, retailer, or other vendor of motor fuel that contains or is blended with any amount of ethanol, biodiesel, or other renewable fuel that complies with labeling and motor fuel quality laws may not be liable for any damages related to a customer's purchase of motor fuel from the vendor as long as the selection of motor fuel was made by the customer and not the vendor. Motor fuel that contains or is blended with a renewable fuel may not be considered a defective product if the fuel complies with motor fuel quality laws.

No motor vehicle manufacturer or motor vehicle dealer, except in cases of fraud or misrepresentation, is liable for property damages related to customer's purchase of motor fuel containing or blended with any amount of ethanol, biodiesel, or other renewable fuel or biofuel if the selection and purchase of the fuel was made by the customer and does not comply with the fuel recommendations in the owner manual.

This bill is similar to HB 2035 (2016).

PROPOSERS: Supporters say that the bill helps encourage motor fuel retailers and convenience stores to invest in the equipment to provide consumers with renewable fuel options. Most fuel pumps, tanks, lines, and other equipment are not made or warranted for fuels containing increased amounts of renewable fuels.

Testifying for the bill were Senator Munzlinger; Missouri Petroleum Marketers & Convenience Store Association (MPCA); Poet LLC; Missouri Corn Growers Association; and the Missouri Power Sports Dealers Association.

OPPONENTS: Those who oppose the bill say that Missouri already

allows for the sale of E-15 gasoline. This bill is unnecessary and would place the burden of proof on the motorists to prove that the marketer is at fault for misfueling.

Testifying against the bill were Missouri Petroleum Council, A Division Of The American Petroleum Institute; Bill Kempker, Freedom Of The Road Riders; and Dion Devan, Freedom Of The Road Riders.

OTHERS: Others testifying on the bill explained the process in which the Petroleum Storage Tank Fund follows each year when certifying a tank is insurable.

Testifying on the bill was Missouri Petroleum Storage Tank Insurance.