

HCS HB 1102 -- NATURAL RESOURCES

SPONSOR: Houghton

COMMITTEE ACTIONS: Voted "Do Pass with Amendments" by the Standing Committee on Energy and the Environment by a vote of 9 to 3. Voted "Do Pass with HCS" by the Select Committee on Utilities by a vote of 7 to 4.

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 cannot 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 or motor fuel deemed incompatible with the motor fuel storage tank system.

Any motor vehicle manufacturer, distributor, or dealer or 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 or biofuel that complies with labeling and motor fuel quality laws cannot be liable for any damages related to a customer's purchase of the motor fuel from the vendor so 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 cannot be considered a defective product if the fuel complies with motor fuel quality laws.

The bill requires any comprehensive state energy plan developed by the Division of Energy is approved by the General Assembly before it is adopted and implemented.

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 Representative Houghton; Poet LLC; Missouri Petroleum Marketers and Convenience Store Association; and Missouri Corn Growers Association.

OPPOSERS: Those who oppose the bill say that it would forfeit the rights of consumers to sue refiners, suppliers, wholesalers, distributors, retailers, or other vendors of motor fuel for negative health effects of exposure to the motor fuels.

Testifying against the bill was Thomas E. Schwartz.

OTHERS: Others testifying on the bill say that the federal renewable fuels mandate is forcing the inclusion of higher blends of fuels before the infrastructure is ready to handle the fuels. Vehicle manufacturers also need to be protected through pump labeling advising consumers to check their owner's manual to ensure that the fuel is compatible with the vehicle.

Testifying on the bill were Missouri Petroleum Council -- A Division of the American Petroleum Institute; Associated Industries of Missouri; Carol Eighmey, Petroleum Storage Tank Insurance Fund; and Kevin Herdler, St. Louis Clean Cities.