HB 362

COMMITTEE REPORT FILE INVENTORY

ORIGINAL REFERRAL RE-REFERRAL	
 THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTING. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK. 	<u>€</u> D.
DOCKET (Submit only the latest docket found in Bill Status)	
COMMITTEE REPORT	
CALENDAR NOTICE	
HEARING REPORT	
HANDOUTS FROM THE PUBLIC HEARING	
PREPARED TESTIMONY AND OTHER SUBMISSIONS	
SIGN-UP SHEET(S)	
ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE: - AMENDMENT # 2350h - AMENDMENT #	
- AMENDMENT# AMENDMENT#	
ALL AVAILABLE VERSIONS OF THE BILL: AS INTRODUCED AS AMENDED BY THE HOUSE FINAL VERSION AS AMENDED BY THE SENATE	•
OTHER (Anything else deemed important but not listed above, such a amended fiscal notes):	S
DATE DELIVERED TO SENATE CLERK 8.13.13 Ch	
By Committee Aide	

New Hampshire General Court - Bill Status System

Docket of HB362

Docket Abbreviations

Bill Title: banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Official Docket of HB362:

Date	Body	Description	
1/3/2013	Н	<pre>Introduced 1/3/2013 and Referred to Science, Technology and Energy; HJ 12, PG.192</pre>	
1/23/2013	H	Public Hearing: 1/29/2013 2:00 PM LOB 304	
1/30/2013	Н	Full Committee Work Session: 2/5/2013 10:30 AM LOB 304	
1/31/2013	н	Executive Session: 2/5/2013 1:00 PM LOB 304 ==RECESSED==	
2/13/2013	Н	Continued Executive Session: 2/19/2013 11:30 AM LOB 304	
2/20/2013	Н	Committee Report: Ought to Pass with Amendment #0350h for Mar 1 (Vote 11-6; Part I, RC); HC 22 , PG.518	
2/20/2013	H	Proposed Committee Amendment #2013-0350h; HC 22B, PG.575	
3/6/2013	н	Special Order to Mar 13 Without Objection; HJ 24, PG.703	
3/13/2013	Н	Amendment #0350h: AA VV; HJ 26, PG.781-782	
3/13/2013	Н	Ought to Pass with Amendment #0350h: MA VV; HJ 26, PG.781-782	
3/21/2013	S	Introduced and Referred to Energy & Natural Resources	
4/4/2013	S	Hearing: 4/10/13, Room 101, LOB, 9:00 a.m.; SC15	
4/23/2013	S	Committee Report: Inexpedient to Legislate, 5/2/13; SC18	
5/2/2013	S	Inexpedient to Legislate, MA, VV === BILL KILLED ===;	

NH House	NH Senate

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Date: 4.18.13

THE COMMITTEE ON Energy and Natural Resources

to which was referred House Bill 362

AN ACT

banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Having considered the same, the committee recommends that the Bill:

IS INEXPEDIENT TO LEGISLATE

BY A VOTE OF 4-1

Senator Bob Odell For the Committee

Chris Cote 271-3067

AMENDED

SENATE CALENDAR NOTICE

ENERGY AND NATURAL RESOURCES

Senator Russell Prescott Chairman Senator Bob Odell V Chairman Senator Jeb Bradley Senator Martha Fuller Clark Senator Jeff Woodburn

For Use by Senate Clerk's Office ONLY				
Bill Status				
Docket				
Calendar				
Proof: Calendar Bill Status				

Printed: 04/04/2013 at 2:28 pm

Date: April 4, 2013

HEARINGS

		Wednesday	4/10/2013		
ENERGY A	AND NATUR	RAL RESOURCES	LOB 101	9:00 AM	
(Name of C	Committee)		(Place)	(Time)	-
		EXECUTIVE SE	SSION MAY FOLLOW		
9:00 AM	HB362	banning corn-based etha	nol as an additive to gasoline sold	in New Hampshire.	
9:15 AM	HB393	relative to effluent limita	tions with regard to nitrogen and	phosphorus.	
9:30 AM	HB542	relative to electric renew	able portfolio standards.		
Sponsors: HB362 Rep. David (Sen. Sam Ca	Campbell	Rep. Beatriz Pastor Rep. Joseph Pitre	Rep. Edmond Gionet	Rep. Gene Chandler	
HB393 Rep. Adam S HB542	Schroadter	Rep. Suzanne Smith	Sen. Nancy Stiles		
Rep. Naida k	Kaen	Rep. Rick Watrous	Rep. Beatriz Pastor		

SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

Chris Cote, Legislative Aide

HB 362 – banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Hearing Date:

4.10.13

Time Opened:

9am

Time Closed:

9:40am

Members of the Committee Present: Senators Bradley, Fuller Clark, Odell, and Woodburn

Members of the Committee Absent: Senator Prescott

Bill Analysis: This bill bans manufactured corn-based ethanol for use in gasoline. This bill also bans the sale of gasoline containing corn-based ethanol as an additive in New Hampshire.

Sponsors: Rep. Campbell, Hills 33; Rep. Pastor, Graf 12; Rep. Gionet, Graf 5; Rep. Chandler, Carr 1; Rep. Pitre, Straf 2; Sen. Cataldo, Dist 6

Who supports the bill: Rep. Gene Chandler, David Borden, Larry Sunderland, Rep. David Campbell

Who opposes the bill: Debra Vanderbeek Biotechnology Industry, Brooke Coleman Advanced Ethanol Council, Ed Dupont Alliance of Auto Manufacturers, Steve Dodge API, Robert Johnson NH Farm Bureau, Rebecca Ohler NHDES, Adam Schmidt Independent Oil Marketers Association,

Summary of testimony presented in support:

Rep. Dave Campbell, burning food for fuel is wrong, agribusiness is wrong, the subsidies that we give to corn companies are wrong and the ethanol produced is malinvestment, ethanol in fuel defies logic, sugar-cane is a better solution, 5 reasons to be against: economic, moral, ethical, environmental, damaging, this bill will only become law if 3 other states pass a ban, Increases cost: herbicides and fertilizer, 130,000 BTU's to produce ethanol, Environmental: destructive to environment, huge amounts of water needed, while it produces less carbon it needs more fertilizer and energy to produce, Moral: ethanol mandates puts pressure on food markets and makes food more expensive, more ethanol means more expensive food, Strategic: in the next few years, if we keep using food for fuel we will need to start importing food, this will change, Damages: small engines are harmed by this fuel, Q: Fuller

Clark, this is under debate in Washington this week, how will this impact the bill? A: ethanol is a bad idea at 10% and a worse one at 15%

Summary of testimony presented in opposition:

- Brook Coleman, in opposition, Advanced Ethanol Council, several points, corn ethanol is fraught with issues but there are problems with the testimony, ethanol is cheaper than gasoline and it is needed for environmental compliance, boutique fuel in CA causes high cost and would increase costs here in NH, ethanol is made in the USA and not in the middle east, stabilizing force in economy, having ethanol in the fuel pool allows the technology to continue to advance, we are already doing it and it should continue, some companies have increased efficiency with technologies from wood ethanol production, corn is 80-85% non-irrigated and does not consume water at the rate it is described, Q: Bradley, replaces octane enhancer such as benzene? A: yes and it is toxic, and it is a replace for poison, Mascoma is a company commercializing the production of ethanol such as wood ethanol, Q: Fuller Clark, if you were to switch to the major source of this is wood, how would that impact NH? A: only certain types of wood is used, waste and discarded thinning, wood residue is the priority,
- Steve Dodge, in opposition, American Petroleum Institute, representing the refiners, Irving is not part of this group but they are in agreement and in opposition, 4th or 5th time before this committee on this issue, the argument is that with increasing Congressional mandates requiring a renewable source in gas, we cannot go away from this, there needs to be a bio-component in gasoline, there are legal and logistical concerns regarding passing this bill and a boutique gasoline would drive up costs, any supply disruption would create a price spike, Hurricane Sandy dealt a blow to refining capability but price did not spike as highly as it would if there were boutique fuels, an ethanol free gasoline that would satisfy Federal regulations is not being made yet, corn-based ethanol is the only form now but that is changing, advanced cellulosic alcohol is not there yet,
- Rob Johnson, in opposition, share the concerns of high cost of grain but oppose the bill because ethanol is a home grown fuel, food for fuel argument does not mean that food is not grown, often crops are diversified,
- Rebecca Ohler, NHDES, in opposition, this is a Federal issue, standards are set by the Federal government in a number of areas and the state cannot be out of compliance, a ban on corn based ethanol could lead to shortages of fuel, there is possibility for litigation under the Commerce Clause, meaning that the manufacturers may have grounds for suit against the state as is happening in CA. Q: Bradley, any other states contemplating this legislation, if we passed it, and other followed, what would the impact be, A: we view this as a bridge fuel and if it goes away there could be an issue with fuel

Fiscal Note: see fiscal note Future Action:

CSC

Date hearing report completed: 4.11.13

[file: HB 0362 report]



The State of New Hampshire

DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

April 10, 2013

The Honorable Russell Prescott, Chairman Senate Energy and Natural Resources Committee Legislative Office Building, Room 101 Concord, New Hampshire 03301

Re: House Bill 362, banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Dear Chairman Prescottt and Members of the Committee:

Thank you for the opportunity to comment on behalf of the Department of Environmental Services (DES) regarding House Bill 362, which seeks to ban the manufacture of corn-based ethanol intended for use in New Hampshire, and to ban the sale of gasoline containing corn-based ethanol in New Hampshire, contingent upon similar action by other New England states. While DES understands the concerns relative to increasing use of corn to produce ethanol, the department is opposed to this bill due to potential conflict with federal law and potential for this action to result in supply disruption and/or price volatility in the state.

Motor vehicle fuel is subject to federal regulatory requirements of the Renewable Fuels Standard (RFS), established by the 2005 Energy Policy Act and modified (RFS2) by the 2007 Energy Independence and Security Act (EISA). The RFS mandated inclusion of a certain annual volume of renewable fuel in gasoline. RFS2, adopted in response to concerns related to the sustainability of crop-based fuels including greenhouse gas (GHG) emissions and food shortages, made two very significant changes to the original standard. First, it differentiated between categories of renewable fuel, including cellulosic and advanced biofuels, and set separate volume requirements for each. RFS2 also required EPA to apply lifecycle GHG performance threshold standards to ensure that each category of renewable fuel emits fewer greenhouse gases than the petroleum fuel it replaces. The lifecycle analysis is inclusive of energy and emissions inputs for fuel and feedstock production, indirect land use impacts, distribution and use. It also includes results of economic modeling that predicts changes in agricultural markets. Through this mechanism RFS2 creates a limited market incentive for conventional corn ethanol and a significant market incentive for cellulosic and advanced biofuels.

The nation's fuel supply is also regulated under the Clean Air Act Amendments of 1990 (CAA) which, in Section 211(c)(4), place certain limitations on a state's legal authority to control the composition of fuel offered for sale in a state. Specifically, Section 211(c)(4) states:

"Except as otherwise provided in subparagraph (B) or (C), no State (or political subdivision thereof) may prescribe or attempt to enforce, for purposes of motor vehicle

emission control, any control or prohibition respecting any characteristic or component of a fuel or fuel additive in a motor vehicle or motor vehicle engine"

The potential conflict of a NH corn-ethanol ban with federal CAA requirements could put NH petroleum suppliers in a difficult position, forcing them to choose between complying with federal law or with state law. In addition to fuel supply disruptions and price volatility, this could also result in costly and protracted litigation brought by either the industry or the federal government, or both, to resolve the conflict.

A ban on corn ethanol in New Hampshire would also likely result in litigation on another front. California's efforts to implement a regulation that would discourage use of some sources of corn-based ethanol were met with a vigorous lawsuit from mid-west farming interests. In December 2011, a federal district court issued an injunction against implementation of the rule while the courts determine whether the program violates the US Constitution's Commerce Clause by seeking to control conduct beyond the boundary of the state and thus violated the Commerce Clause's "strict scrutiny" test because it "directly regulates or discriminates against" interstate commerce. While the injunction was stayed in April 2012 a final ruling has not yet been issued. It is anticipated this case will be appealed all the way to the U.S. Supreme Court, and it can be assumed that a targeted ban such as that proposed by HB 362 would face similar challenges.

In past testimony on similar bills the department has noted the potential for supply or price disruptions to New Hampshire motorists from a ban on corn ethanol due to lack of a gasoline terminal in the state and the relatively low volume of fuel used here. HB 362 seeks to address this issue by including a contingency clause whereby the ban would only take effect if three other New England states were to also adopt similar legislation. Given the above noted court ruling it appears very unlikely that such a contingency would be met until such time as there has been a final ruling by the U.S. Supreme Court, an action that is probably several years in the future.

Thank you for the opportunity to provide testimony on this bill. Should you have further questions or need additional information please feel free to contact Craig Wright, Acting Director, Air Resources Division (271-1088, craig.wright@des.nh.gov) or Rebecca Ohler, Transportation and Energy Programs Manager (271-6749, rebecca.ohler@des.nh.gov).

Sincerely

Thomas S. Burack

Commissioner



Testimony of the Biotechnology Industry Organization (BIO)

Hearing of the Senate Committee on Energy and Natural Resources

April 10, 2013

Regarding New Hampshire House Bill 362:

"AN ACT BANNING CORN-BASED ETHANOL AS AN ADDITIVE TO GASOLINE SOLD IN NEW HAMPSHIRE"

The Honorable Russell Prescott, Committee Chair
The Honorable Bob Odell, Committee Vice-Chair
And the Members of the Energy and Natural Resources Committee:

Chairman Prescott and Members of the Committee, the Biotechnology Industry Organization ("BIO") appreciates this opportunity to provide comments on HB 362, legislation to ban corn-based ethanol as an additive to gasoline sold in New Hampshire. This proposal is of significant concern to BIO and its members in the State of New Hampshire and throughout the country.

BIO is the world's largest biotechnology organization with more than 1,100 member companies worldwide. BIO represents leading technology companies in the production of conventional and advanced biofuels and other sustainable solutions to energy and climate change challenges. BIO also represents the leaders in developing new crop technologies for food, feed, fiber, and fuel.

BIO opposes HB 362 at its core because of the impact such legislation would have on energy security, on research and development of cellulosic and advanced biofuels underway in New Hampshire, on the commercialization of such technologies throughout the country, and on the price of gasoline for New Hampshire consumers.

The national adoption of ethanol and other conventional biofuels has played an important role in reducing U.S. dependence on foreign sources of petroleum, in reducing transportation fuel costs to the consumer, and in beginning to reduce the carbon intensity of the nation's transportation fuels. It has also paved the way for promising next generation cellulosic and advanced biofuels being developed in the State of New Hampshire and throughout the country.

Cellulosic and advanced biofuels, which can be produced from forest residues, algae, municipal solid waste, or other renewable sources of biomass, offer some of the most promising solutions to high gas prices, U.S. dependence on foreign petroleum, and job losses in resource-dependent regions of the country, such as New Hampshire. Innovative advanced biofuels developers – including Mascoma Corporation, one of the country's leading cellulosic biofuels developers, based right here in New Hampshire – already face a very challenging environment trying to secure private capital to commercialize their technologies. Actions by the State of New Hampshire and other



states to ban or limit conventional ethanol as a gasoline additive only exacerbate the financing challenge by destabilizing the policy environment for all biofuels. These limitations on fuel choice would also close a future market to cellulosic biofuels produced from forest biomass and other materials in New Hampshire.

The increased use of ethanol has been key in replacing MTBE which led to the 600 known sites of MTBE contamination in New Hampshire, 228 of them considered high risk. This has led to ongoing costs to the state to monitor and treat wells contaminated with MTBE. If ethanol were to be banned, the state of New Hampshire would have limited alternatives for oxygenators in fuel.

This legislation also ignores the fact that conventional ethanol continues to play an important role in the development of new technologies by supporting the growth of the infrastructure for commercial levels of advanced and cellulosic biofuels to be developed, produced and distributed. Passing HB 362 would send the industry and its investors a negative message and would chill investment in research and development for advanced and cellulosic biofuels – as well as other promising biobased technologies, such as renewable chemicals and plastics produced from wood – and possibly send the unintended signal to investors that New Hampshire is hostile to innovation.

Prohibiting or limiting corn ethanol and biofuel blends in gasoline sold in New Hampshire would also drive up the cost of gasoline for consumers in the State. New Hampshire imports all of its motor gasoline from other states, so refiners would have to supply special fuel to the State at an added cost. Simply having an alternative fuel in any market helps drive down the price for consumers at the pump. Economists have estimated that gasoline prices could be \$0.20-0.50 per gallon higher if not for the incremental supply provided by ethanol. The Renewable Fuel Standard (RFS) opens the market to renewable fuels and, importantly, sets price targets and supports for advanced biofuels through its compliance mechanisms. These price targets and supports will ensure that new fuels will also present significant value to consumers.

By comparison, current studies show that production of biofuel has a relatively small affect on corn and food prices – "the contribution of ethanol subsidies to food inflation is largely imperceptible in the United States" – while it saved approximately \$34 billion in oil import in 2010 alone. Indeed, the U.S. Environmental Protection Agency (EPA) issued the decision recently to deny requests to waive the volume requirements for the coming year of the Federal Renewable Fuel Standard, correctly concluding that the RFS program itself is not having an impact on grain prices.

Companies like Mascoma and the more than 80 BIO members developing next generation biofuels and biobased products are looking to revitalize communities suffering from loss of jobs in industries like forestry and paper. A recent report, *U.S. Economic Impact of Advanced Biofuels Production: Perspectives to 2030*, the executive summary of which we append to this testimony, indicates that cellulosic and advanced biofuels production under the RFS could create over half a million jobs in the U.S., many of which would be tied to sustainable sources of renewable biomass like wood.



BIO urges the New Hampshire State Senate and its Committee on Energy and Natural Resources, to oppose HB 362. The proposed ban of corn-based ethanol as a gasoline blend or limiting blends of biofuels in the State would hurt consumers at the pump and would undermine investment in the continued research, development and production of advanced and cellulosic biofuels.

NH's \$236M suit against Exxon Mobil to go to jury, http://www.pressherald.com/news/NHs-236M-suit-against-Exxon-Mobil-to-go-to-jury-.html

P. Barta, "As Biofuels Catch On, Next Task Is to Deal with Environmental, Economic Impact" Wall

Street Journal, March 24, 2008, page A2.

iii Babcock, B.A. and Fabiosa, J.F. "The Impact of Ethanol and Ethanol Subsidies on Corn Prices: Revisiting History." CARD Policy Briefs, Center for Agricultural and Rural Development, Iowa State University, April 2011.

^{&#}x27;v See Urbanchuk, J.M. :Contribution of the Ethanol Industry to the Economy of the United States," Renewable Fuels Association, February 2011.

v http://bio.org/ind/advbio/EconomicImpactAdvancedBiofuels.pdf

SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

Date: 4.10.13

Time: 9am

Public Hearing on HB 362

 ${\rm HB~362}$ - banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Please check box(es) that apply:

SPEAKING	FAVOR	OPPOSED	NAME (Please print)	REPRESENTING
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SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

Date: 4.10.13

F. L. 179

Time: 9am

Public Hearing on HB 362

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Please check box(es) that apply:

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Rep. Pastor, Graf. 12 February 13, 2013 2013-0350h 06/10

Amendment to HB 362

Amend the bill by replacing all after section 2 with the following:

- 3 Contingency. Sections 1 and 2 of this act shall take effect upon the date certified to the secretary of state and the office of legislative services of either of the following:
- I. The air pollution advisory committee, established by RSA 125-J:11, determines, in consultation with the department of environmental services, that at least 3 other New England states in addition to New Hampshire have statutorily banned corn-based ethanol as an additive to gasoline; or
- II. The air pollution advisory committee determines that a fuel that can be used by a regulated entity to meet their compliance obligation pursuant to the federal Renewable Fuels Standard for either advanced biofuel, as defined in the Clean Air Act, 42 U.S.C. 7545(o)(1)(B) or cellulosic biofuel as defined in the Clean Air Act, 42 U.S.C. 7545 (o)(1)(E) is readily available and in sufficient quantities to replace corn-based ethanol in New Hampshire's gasoline supply such that it will not have a significant impact on the price or supply, or both, of gasoline delivered for use in New Hampshire.
- 4 Report Required. The department of environmental services shall report to the governor, the speaker of the house, the president of the senate, the science, technology and energy committee, and the air pollution advisory committee no later than September 1 annually on the consideration or adoption, or both, of corn-based ethanol bans in other New England states. The report shall also summarize information available to the department on the potential availability and market for advanced and cellulosic biofuel that could serve as a replacement to corn-based ethanol in New Hampshire's gasoline supply.
 - 5 Effective Date.
 - I. Sections 1 and 2 of this act shall take effect as provided in section 3 of this act.
 - II. The remainder of this act shall take effect 60 days after its passage.

HB 362 – AS INTRODUCED

2013 SESSION

13-0650

08/09

HOUSE BILL 362

AN ACT banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

SPONSORS: Rep. Campbell, Hills 33; Rep. Pastor, Graf 12; Rep. Gionet, Graf 5; Rep. Chandler, Carr 1; Rep. Pitre, Straf 2; Sen. Cataldo, Dist 6

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill bans manufactured corn-based ethanol for use in gasoline.

This bill also bans the sale of gasoline containing corn-based ethanol as an additive in New Hampshire.

Explanation: Matter added to current law appears in bold italics.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

13-0650

08/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT banning corn-based ethanol as an additive to gasoline sold in New Hampshire.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Corn-Based Ethanol Banned. Amend RSA 260:38, III to read as follows:

III. Each person manufacturing alcohol, ethanol, methanol, or any other product within the state of New Hampshire for use in gasohol shall obtain a license and, on or before the twentieth day of each calendar month, the sole proprietor, president, managing partner, chief executive officer, or equivalent thereof, of said person shall render a return to the commissioner on forms prescribed and furnished by the commissioner, and shall certify under the pains and penalties of perjury that the return is true, accurate, and complete in all material respects. The return shall show the total number of gallons sold to distributors of gasohol, or to persons purchasing the product for the purpose of resale to the distributors, together with such other information as the commissioner may require for the reasonable administration of this subdivision. No licensee shall manufacture corn-based ethanol for use in gasoline in this state.

- 2 New Section; Corn-Based Ethanol Prohibited. Amend RSA 339-B by inserting after section 8 the following new section:
- 339-B:8-a Corn-Based Ethanol Prohibited. No seller of gasoline shall sell or offer for sale gasoline that has corn-based ethanol as an additive.
- 3 Contingency. Sections 1 and 2 of this act shall take effect upon certification by the department of environmental services to the secretary of state and the office of legislative services that at least 2 of the 6 New England states have adopted similar legislation banning corn-based ethanol as an additive to gasoline.
- 4 Effective Date.
- I. Sections 1 and 2 of this act shall take effect as provided in section 3 of this act.
- II. The remainder of this act shall take effect 60 days after its passage.

HB 362 - AS AMENDED BY THE HOUSE

13Mar2013... 0350h

2013 SESSION

13-0650

08/09

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13Mar2013... 0350h

13-0650

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- 2 New Section; Corn-Based Ethanol Prohibited. Amend RSA 339-B by inserting after section 8 the following new section:
- 339-B:8-a Corn-Based Ethanol Prohibited. No seller of gasoline shall sell or offer for sale gasoline that has corn-based ethanol as an additive.
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- I. The air pollution advisory committee, established by RSA 125-J:11, determines, in consultation with the department of environmental services, that at least 3 other New England states in addition to New Hampshire have statutorily banned corn-based ethanol as an additive to gasoline; or
- II. The air pollution advisory committee determines that a fuel that can be used by a regulated entity to meet their compliance obligation pursuant to the federal Renewable Fuels Standard for either advanced biofuel, as defined in the Clean Air Act, 42 U.S.C. 7545(o)(1)(B) or cellulosic biofuel as defined in the Clean Air Act, 42 U.S.C. 7545 (o)(1)(E) is readily available and in sufficient quantities to replace corn-based ethanol in New Hampshire's gasoline supply such that it will not have a significant impact on the price or supply, or both, of gasoline delivered for use in New Hampshire.
- 4 Report Required. The department of environmental services shall report to the governor, the speaker of the house, the president of the senate, the science, technology and energy committee, and the air pollution advisory committee no later than September 1 annually on the consideration or adoption, or both, of corn-based ethanol bans in other New England states. The report shall also summarize information available to the department on the potential availability and market for advanced and cellulosic biofuel that could serve as a replacement to corn-based ethanol in New Hampshire's gasoline supply.
- 5 Effective Date.

- I. Sections 1 and 2 of this act shall take effect as provided in section 3 of this act.
- II. The remainder of this act shall take effect 60 days after its passage.