REVISOR 12/11/24 RSI/MI 25-00025 as introduced

SENATE STATE OF MINNESOTA **NINETY-FOURTH SESSION**

S.F. No. 621

(SENATE AUTHORS: DAHMS and Klein)

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Introduction and first reading Referred to Commerce and Consumer Protection

Withdrawn and re-referred to Agriculture, Veterans, Broadband, and Rural Development HF substituted in committee HF1330 01/30/2025 235

See First Special Session, HF4

A bill for an act 1.1

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relating to commerce; updating gasoline specifications; amending Minnesota 1 2 Statutes 2024, sections 41A.09, subdivision 2a; 239.761, subdivisions 3, 4, 5, 6; 1.3 296A.01, subdivisions 20, 23, 24. 1.4

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

Section 1. Minnesota Statutes 2024, section 41A.09, subdivision 2a, is amended to read: 1.6

- Subd. 2a. **Definitions.** For the purposes of this section, the terms defined in this subdivision have the meanings given them.
- (a) "Ethanol" means fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal grains, cheese whey, and sugar beets; forest products; or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources, that:
 - (1) meets all of the specifications in ASTM specification D4806-04a D4806-21a; and
- (2) is denatured as specified in Code of Federal Regulations, title 27, parts 20 and 21. 1.14
- (b) "Ethanol plant" means a plant at which ethanol is produced. 1.15
- (c) "Commissioner" means the commissioner of agriculture. 1.16
 - (d) "Rural economic infrastructure" means the development of activities that will enhance the value of agricultural crop or livestock commodities or by-products or waste from farming operations through new and improved value-added conversion processes and technologies, the development of more timely and efficient infrastructure delivery systems, and the enhancement of marketing opportunities. "Rural economic infrastructure" also means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and

Section 1. 1 used or operated primarily for the processing or the support of production of marketable

- 2.2 products from agricultural commodities or wind energy produced in Minnesota.
- Sec. 2. Minnesota Statutes 2024, section 239.761, subdivision 3, is amended to read:
- Subd. 3. **Gasoline.** (a) Gasoline that is not blended with biofuel must not be contaminated
- with water or other impurities and must comply with ASTM specification D4814-11b
- 2.6 <u>D4814-24a</u>. Gasoline that is not blended with biofuel must also comply with the volatility
- requirements in Code of Federal Regulations, title 40, part 1090.
- 2.8 (b) After gasoline is sold, transferred, or otherwise removed from a refinery or terminal,
- a person responsible for the product:
- 2.10 (1) may blend the gasoline with agriculturally derived ethanol as provided in subdivision
- 2.11 4;
- 2.12 (2) shall not blend the gasoline with any oxygenate other than biofuel;
- 2.13 (3) shall not blend the gasoline with other petroleum products that are not gasoline or
- 2.14 biofuel;
- 2.15 (4) shall not blend the gasoline with products commonly and commercially known as
- casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural
- 2.17 gasoline; and
- 2.18 (5) may blend the gasoline with a detergent additive, an antiknock additive, or an additive
- designed to replace tetra-ethyl lead, that is registered by the EPA.
- Sec. 3. Minnesota Statutes 2024, section 239.761, subdivision 4, is amended to read:
- Subd. 4. **Gasoline blended with ethanol; general.** (a) Gasoline may be blended with
- agriculturally derived, denatured ethanol that complies with the requirements of subdivision
- 2.23 5.
- 2.24 (b) A gasoline-ethanol blend must:
- 2.25 (1) comply with the volatility requirements in Code of Federal Regulations, title 40, part
- 2.26 1090;
- 2.27 (2) comply with ASTM specification D4814-11b D4814-24a, or the gasoline base stock
- 2.28 from which a gasoline-ethanol blend was produced must comply with ASTM specification
- 2.29 D4814-11b D4814-24a; and

Sec. 3. 2

(3) not be blended with casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural gasoline after the gasoline-ethanol blend has been sold, transferred, or otherwise removed from a refinery or terminal.

- Sec. 4. Minnesota Statutes 2024, section 239.761, subdivision 5, is amended to read:
- Subd. 5. **Denatured ethanol.** Denatured ethanol that is to be blended with gasoline must be agriculturally derived and must comply with ASTM specification D4806-11a D4806-21a.

 This includes the requirement that ethanol may be denatured only as specified in Code of Federal Regulations, title 27, parts 20 and 21.
- Sec. 5. Minnesota Statutes 2024, section 239.761, subdivision 6, is amended to read:
- 3.10 Subd. 6. **Gasoline blended with nonethanol oxygenate.** (a) A person responsible for the product shall comply with the following requirements:
- 3.12 (1) after July 1, 2000, gasoline containing in excess of one-third of one percent, in total, 3.13 of nonethanol oxygenates listed in paragraph (b) must not be sold or offered for sale at any 3.14 time in this state; and
- 3.15 (2) after July 1, 2005, gasoline containing any of the nonethanol oxygenates listed in 3.16 paragraph (b) must not be sold or offered for sale in this state.
- 3.17 (b) The oxygenates prohibited under paragraph (a) are:
- 3.18 (1) methyl tertiary butyl ether, as defined in section 296A.01, subdivision 34;
- 3.19 (2) ethyl tertiary butyl ether, as defined in section 296A.01, subdivision 18; or
- 3.20 (3) tertiary amyl methyl ether.

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- 3.21 (c) Gasoline that is blended with a nonethanol oxygenate must comply with ASTM specification D4814-11b D4814-24a. Nonethanol oxygenates must not be blended into gasoline after the gasoline has been sold, transferred, or otherwise removed from a refinery or terminal.
- Sec. 6. Minnesota Statutes 2024, section 296A.01, subdivision 20, is amended to read:
- 3.26 Subd. 20. **Ethanol, denatured.** "Ethanol, denatured" means ethanol that is to be blended with gasoline, has been agriculturally derived, and complies with ASTM specification D4806-11a D4806-21a. This includes the requirement that ethanol may be denatured only as specified in Code of Federal Regulations, title 27, parts 20 and 21.

Sec. 6. 3

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4.1	Sec. 7. Min	nnesota Statutes 20	24, section 296A.	01, subdivision 23, is ar	nended to read:
4.2	Subd. 23	. Gasoline. (a) "Ga	soline" means:		
4.3	(1) all pr	oducts commonly (or commercially k	tnown or sold as gasolin	e regardless of
4.4	their classification or uses, except casinghead gasoline, absorption gasoline, condensation				
4.5	gasoline, drip gasoline, or natural gasoline that under the requirements of section 239.761,				
4.6	subdivision 3, must not be blended with gasoline that has been sold, transferred, or otherwise				
4.7	removed from a refinery or terminal; and				
4.8	(2) any li	iquid prepared, adv	ertised, offered fo	r sale or sold for use as,	or commonly and
4.9	commerciall	ly used as, a fuel in	spark-ignition, in	ternal combustion engin	es, and that when
4.10	tested by the Weights and Measures Division meets the specifications in ASTM specification				
4.11	D4814-11b _	<u>D4814-24a</u> .			
4.12	(b) Gaso	line that is not blen	ded with ethanol	must not be contaminate	ed with water or
4.13	other impuri	ties and must comp	oly with both AST	M specification D4814	-11b <u>D4814-24a</u>
4.14	and the vola	tility requirements	in Code of Federa	al Regulations, title 40, p	oart 1090.
4.15	(c) After	gasoline is sold, tra	nsferred, or other	wise removed from a ref	inery or terminal,
4.16	a person resp	ponsible for the pro	oduct:		
4.17	(1) may b	olend the gasoline w	rith agriculturally	derived ethanol, as provid	ded in subdivision
4.18	24;				
4.19	(2) must	not blend the gasol	ine with any oxyg	genate other than denatur	red, agriculturally
4.20	derived etha	nol;			
4.21	(3) must	not blend the gasol	line with other pet	troleum products that are	e not gasoline or
4.22	denatured, a	griculturally derive	ed ethanol;		
4.23	(4) must	not blend the gasol	line with products	commonly and commen	rcially known as
4.24	casinghead g	gasoline, absorption	n gasoline, conder	nsation gasoline, drip gas	soline, or natural
4.25	gasoline; and	d			
4.26	(5) may b	olend the gasoline w	rith a detergent add	litive, an antiknock addit	ive, or an additive
4.27	designed to	replace tetra-ethyl l	lead, that is regist	ered by the EPA.	
4.28	Sec. 8. Min	nnesota Statutes 20	24, section 296A.	.01, subdivision 24, is ar	nended to read:
4.29	Subd. 24. Gasoline blended with nonethanol oxygenate. "Gasoline blended with				
4.30	nonethanol o	oxygenate" means ş	gasoline blended v	with ETBE, MTBE, or o	other alcohol or

ether, except denatured ethanol, that is approved as an oxygenate by the EPA, and that

complies with ASTM specification <u>D4814-11b</u> <u>D4814-24a</u>. Oxygenates, other than denatured

Sec. 8. 4

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ethanol, must not be blended into gasoline after the gasoline has been sold, transferred, or

otherwise removed from a refinery or terminal.

Sec. 8. 5