



States' Biofuels Statutes

STATE OF LOUISIANA

This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.

Current through the 2013 Legislative Session of the Louisiana General Assembly.

§ 4674. Minimum ethanol and bio-diesel requirements

A. The legislature hereby finds and declares that the production and use of renewable fuels in Louisiana is a matter of grave public necessity and is vital to the economy of Louisiana. The use of renewable domestic fuels such as ethanol and bio-diesel will expand United States and Louisiana fuel supplies without increasing dependency on foreign oil. Expanding United States and Louisiana fuel supplies through the use of renewable domestic fuels will reduce consumer fuel prices and spur Louisiana's rural economy by increasing production and demand for agricultural raw materials such as corn. Building plants and distribution centers to produce ethanol and bio-diesel will also serve as an economic boost for our agricultural community. Renewable domestic fuels such as ethanol help Louisiana's environment by providing a clean-burning, high-octane fuel that reduces automotive emissions. Therefore, the establishment of specifications for use of renewable fuels in Louisiana is a matter of public policy.

B. As used in this Section, the following terms shall have the meanings hereinafter ascribed to them:

(1) "Alternate renewable fuel" means liquid fuel that is domestically produced from renewable biomass which can be used in place of ethanol or bio-diesel and it must meet the definition of renewable fuel in the Energy Policy Act of 2005.¹

(2) For purposes of this Section, "bio-diesel" means:

(a) A fuel comprised of mono-alkyl esters of long chain fatty acids derived from renewable resources including but not limited to vegetable oils, waste grease, or animal fats, and meeting the requirements of the American Society for Testing and Materials (ASTM) D-6751, or

(b) A diesel fuel substitute produced from non-petroleum renewable resources (inclusive of vegetable oils and animal fats) that meet the registration requirements for fuels and fuel additives established by the United States Environmental Protection Agency and any blending components derived from renewable fuel.

(3) "Ethanol" means an ethyl alcohol that has a purity of at least ninety-nine percent, exclusive of added denaturants, that adheres to all of the following standards:

(a) It has been denatured in conformity with a method approved by the Bureau of Alcohol, Tobacco, Firearms and Explosives of the United States Department of Justice, as specified in the Code of Federal Regulations, Title 27, Parts 20 and 21.

(b) It meets all the requirements of American Society of Testing and Materials (ASTM) D4806, the standard specification for ethanol used as a motor fuel.

(c) It is produced from domestic agricultural products or byproducts or other bio-mass materials including municipal solid waste.

C. (1) Within six months after monthly production of denatured ethanol produced in the state of Louisiana equals or exceeds an annualized production volume of fifty million gallons, two percent of the total gasoline sold by volume in the state shall be denatured ethanol produced from domestically grown feedstock or other bio-mass materials.

(2) The requirements set forth in Paragraph (1) of this Subsection may also be met through the production of an alternate renewable fuel but in no event shall such requirements exceed two percent of the total gasoline sold by volume by owners or operators of fuel distribution terminals.

D. (1) Within six months after monthly production of bio-diesel produced in the state of Louisiana equals or exceeds an annualized production volume of ten million gallons, two percent of the total diesel sold by volume in the state shall be bio-diesel produced from domestically grown feedstock.

(2) The requirements set forth in Paragraph (1) of this Subsection may also be met through the production of an alternate renewable fuel but in no event shall such requirements exceed two percent of the total diesel sold by volume by owners or operators of fuel distribution terminals.

E. Within six months after monthly production of an alternate renewable fuel capable of substituting for ethanol and bio-diesel produced in the state of Louisiana equals or exceeds an annualized production volume of twenty million gallons, two percent of the total motor fuel sold by volume in the state shall be the alternate renewable fuel produced from domestically grown feedstock but in no event shall such requirement exceed two percent of the total motor fuel sold by volume by owners or operators of fuel distribution terminals.

F. Blenders and retailers will have six months to meet the new minimum content requirements. Any combination of alternative fuels, including but not limited to denatured ethanol, bio-diesel and alternative renewable fuel may be used to meet the two percent requirements of Subsections C, D, and E of this Section. The Louisiana Commission of Weights and Measures may waive or extend the six-month time period upon a finding that the quality or supply of bio-diesel or ethanol is insufficient to allow blenders or retailers to meet the minimum content requirements, or upon a finding that the motor fuel distribution terminals are or will be unable to blend ethanol due to delays in obtaining permits or delays in construction or installation of ethanol blending or storage equipment for reasons beyond the

control of the terminal owner or operator.

G. Aviation fuels are exempt from the minimum ethanol and bio-diesel requirements in this Section.

H. Fuels containing ethanol or bio-diesel shall not be required to be sold in ozone nonattainment areas.

I. Notwithstanding any provision of law to the contrary, retailers shall not be required to purchase or sell ethanol or bio-diesel in the state of Louisiana.

J. The commissioner shall adopt rules and regulations in accordance with the Administrative Procedure Act² for purposes of enforcing and carrying out the provisions of this Section.

K. The commissioner shall adopt rules and regulations requiring incentives to compensate for any costs associated with achieving the minimum ethanol and bio-diesel standards.

Credits: Added by Acts 2006, No. 313, § 1, eff. June 12, 2006. Amended by Acts 2012, No. 811, § 1, eff. July 1, 2012.