

SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 489

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

AN ACT

RELATING TO ENERGY; REQUIRING BIODIESEL IN MOTOR VEHICLE DIESEL
FUELS; AMENDING THE PETROLEUM PRODUCTS STANDARDS ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 57-19-27 NMSA 1978 (being Laws 1993,
Chapter 98, Section 3) is amended to read:

"57-19-27. DEFINITIONS.--As used in the Petroleum
Products Standards Act:

A. "biodiesel" means a renewable, biodegradable,
mono alkyl ester combustible liquid fuel that is derived from
agricultural plant oils or animal fats and that meets American
society for testing and materials specification for biodiesel
fuel, B100, blend stock for distillate fuels;

~~[A.]~~ B. "board" means the board of regents [at] of
New Mexico state university;

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underscored material = new
[bracketed material] = delete

1 ~~[B.]~~ C. "dealer" means a dealer as defined by the
2 Special Fuels Supplier Tax Act;

3 ~~[G.]~~ D. "department" means the New Mexico
4 department of agriculture;

5 E. "diesel fuel" means any diesel-engine fuel used
6 for the generation of power to propel a motor vehicle;

7 ~~[D.]~~ F. "director" means the director of the New
8 Mexico department of agriculture;

9 ~~[E.]~~ G. "distributor" means a distributor as
10 defined by the Gasoline Tax Act;

11 ~~[F.]~~ H. "lubricating oil" means any oil used to
12 lubricate transmissions, gears or axles;

13 ~~[G.]~~ I. "motor fuel" means any liquid product used
14 for the generation of power in an internal combustion engine,
15 excluding liquified petroleum gases and aviation fuels;

16 ~~[H.]~~ J. "motor oil" means oil for use in
17 lubricating internal combustion engines;

18 ~~[I.]~~ K. "person" means any natural person, firm,
19 partnership, association or corporation;

20 ~~[J.]~~ L. "petroleum product" means motor fuel,
21 kerosene, lubricating oil, motor oil, anti-freeze or brake
22 fluid; and

23 ~~[K.]~~ M. "retailer" means any person who sells motor
24 fuel and delivers the motor fuel into the supply tanks of motor
25 vehicles."

1 Section 2. Section 57-19-28 NMSA 1978 (being Laws 1993,
2 Chapter 98, Section 4) is amended to read:

3 "57-19-28. DUTIES OF THE BOARD--AUTHORITY OF THE
4 DIRECTOR.--

5 A. The board [~~shall be~~] is responsible for the
6 administration and enforcement of the provisions of the
7 Petroleum Products Standards Act. The board shall adopt rules
8 and regulations necessary to administer and enforce the
9 provisions of that act. The board shall provide public notice
10 and allow public comment on all proposed rules and regulations.

11 B. The director shall have the authority to:

12 (1) inspect, investigate, analyze and take
13 appropriate actions to administer and enforce the provisions of
14 the Petroleum Products Standards Act;

15 (2) enter any commercial premises from which
16 petroleum products are offered for sale during normal business
17 hours. If the premises are not open to the public, the
18 director shall present [~~his~~] the director's credentials and
19 enter only with consent from the commercial entity. If no
20 consent is given, the director shall obtain a search warrant;

21 (3) collect or cause to be collected samples
22 of petroleum products offered for sale and cause such samples
23 to be tested or analyzed to determine if they are in compliance
24 with the provisions of the Petroleum Products Standards Act and
25 regulations adopted pursuant to that act;

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1 (4) issue and enforce stop-sale, hold and
2 removal orders with respect to a petroleum product kept,
3 offered or exposed for sale in violation of the provisions of
4 the Petroleum Products Standards Act and regulations adopted
5 pursuant to that act;

6 (5) require distributors and retailers to
7 retain records pertaining to petroleum product purchases and
8 sales for a period of not more than one year;

9 (6) maintain and operate a petroleum product
10 testing laboratory to ensure that all petroleum products
11 offered for sale in New Mexico meet standards prescribed in the
12 Petroleum Products Standards Act and regulations adopted
13 pursuant to that act;

14 (7) issue and enforce stop-use orders for
15 measuring equipment or vehicle tanks that are used commercially
16 and that do not conform to the provisions of the Petroleum
17 Products Standards Act and regulations adopted pursuant to that
18 act; and

19 (8) delegate to authorized representatives any
20 of the responsibilities for the proper administration of the
21 Petroleum Products Standards Act.

22 C. If in consultation with the secretary of energy,
23 minerals and natural resources and pursuant to regular,
24 periodic monitoring, the director determines that sufficient
25 amounts of biodiesel are not available to meet the requirements

1 of Section 57-19-29 NMSA 1978 or that the price of the
 2 biodiesel blend significantly exceeds the price of diesel fuel
 3 for at least two months, the director shall suspend those
 4 requirements for a period of up to six months."

5 Section 3. Section 57-19-29 NMSA 1978 (being Laws 1993,
 6 Chapter 98, Section 5) is amended to read:

7 "57-19-29. QUALITY STANDARDS.--

8 A. Unless modified by regulation of the board, the
 9 quality standards, tests and methods of conducting analyses on
 10 petroleum products manufactured, kept, stored, sold or offered
 11 for sale in New Mexico shall be those last adopted and
 12 published by the American society for testing and materials or
 13 the society of automotive engineers and shall be used to
 14 determine compliance with the Petroleum Products Standards Act
 15 and regulations adopted pursuant to that act. In the absence
 16 of a petroleum product quality standard, test or method from
 17 the American society for testing and materials or the society
 18 of automotive engineers, the board may adopt a regulation that
 19 establishes a quality standard, test or method to conduct
 20 analyses on petroleum products.

21 B. After July 1, 2010 and before July 1, 2012, all
 22 diesel fuel sold to state agencies, political subdivisions of
 23 the state and public schools for use in motor vehicles on the
 24 streets and highways of this state shall contain five percent
 25 biodiesel, except that this standard may be temporarily

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1 suspended by the director in accordance with Section 57-19-28
2 NMSA 1978.

3 C. On or after July 1, 2012, all diesel fuel sold
4 to consumers for use in motor vehicles on the streets and
5 highways of this state shall contain five percent biodiesel,
6 except that this standard may be temporarily suspended by the
7 director in accordance with Section 57-19-28 NMSA 1978."