

1 AN ACT concerning biodiesel fuel.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 1. Short title. This Act may be cited as the  
5 Biodiesel Fuel Act.

6 Section 5. Definitions. As used in this Act:

7 "Biodiesel fuel" means a renewable, biodegradable, mono  
8 alkyl ester combustible liquid fuel derived from agricultural  
9 plant oils or animal fats and that meets American Society For  
10 Testing and Materials Specification D6751-02 for Biodiesel  
11 Fuel (B100) Blend Stock for Distillate Fuels.

12 "Department" means the Department of Agriculture.

13 "Director" means the Director of Agriculture.

14 Section 10. Minimum content. Except as otherwise  
15 provided in this Section, all diesel fuel sold or offered for  
16 sale in this State for use in internal combustion engines  
17 must contain at least 2% biodiesel fuel oil by volume  
18 provided that 30 or more days have passed since the Director  
19 has published notice that the annual capacity in this State  
20 for the production of biodiesel fuel oil exceeds 8,000,000  
21 gallons and:

22 (a) 18 months have passed since the Director has  
23 published notice that a federal action on taxes imposed, tax  
24 credits, or otherwise, creates a reduction in the price of 2  
25 cents or more per gallon on taxable fuel that contains at  
26 least 2% biodiesel fuel oil and is sold in this State; or

27 (b) the date June 30, 2006 has passed.

28 Section 15. Exceptions.

29 (a) The minimum content requirement of subsection (a) of

1 Section 10 does not apply to fuel used in motors located at  
2 an electric generating plant regulated by the Nuclear  
3 Regulatory Commission and in railroad locomotives.

4 (b) The exemption concerning electric generating plants  
5 regulated by the Nuclear Regulatory Commission expires 30  
6 days after the Nuclear Regulatory Commission has approved the  
7 use of biodiesel fuel in motors at electric generating plants  
8 under its regulation.

9 Section 20. Distributor expense reimbursement.

10 (a) A distributor that made capital expenditures  
11 necessary to adapt or add equipment to blend biodiesel fuel  
12 oil may be eligible for partial reimbursement for those  
13 expenditures if this Act is repealed or amended to remove the  
14 biodiesel fuel requirement in Section 10 within 8 years of  
15 the effective date of this Act.

16 (b) A distributor may apply to the Department for a  
17 reimbursement from money appropriated for complying with this  
18 Act, if this Act or the biodiesel fuel requirements in  
19 Section 10 are repealed. If the repeal occurs within 2 years  
20 of this Act's effective date, the Director shall reimburse up  
21 to 80% of expenditures. The total amount eligible to be  
22 reimbursed shall decline by 10% each year after the effective  
23 date of this Act and must end at 20% in the eighth year.

24 (c) The Director shall require detailed proof of  
25 expenditures made solely to comply with this Act.