By: Chisum H.B. No. 4448

A BILL TO BE ENTITLED

| | AN ACT |
|--|--------|

- 2 relating to fuel quality testing.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Title 1, Texas Agriculture Code, is amended by
- 5 adding Chapter 13A to read as follows:
- 6 Chapter 13A. UNIFORM ENGINE FUELS, PETROLEUM PRODUCTS, AND
- 7 AUTOMOTIVE LUBRICANTS INSPECTION.
- 8 SUBCHAPTER A. GENERAL PROVISIONS.
- 9 Sec. 13A.001. DEFINITIONS. (a) In this chapter:
- 10 (1) "Engine fuel" means any liquid or gaseous matter used
- 11 for the generation of power in an internal combustion engine.
- 12 (2) "Commissioner" means the commissioner of the Texas
- 13 Department of Agriculture and designated agents.
- 14 (3) "Department" means the Texas Department of Agriculture
- 15 and its designated agents.
- 16 (4) "Person" means an individual, corporation, company,
- 17 society, association, partnership, or governmental entity.
- 18 (5) "ASTM International" means an international voluntary
- 19 consensus standards organization formed for the development of
- 20 standards on characteristics and performance of materials,
- 21 products, systems, and services, and the promotion of related
- 22 knowledge.
- 23 (6) "Petroleum Products" means products obtained from
- 24 distilling and processing of petroleum (crude oil), unfinished

- 1 oils, recycled oils, natural gas liquids, refinery blend stocks,
- 2 biofuels, and other miscellaneous hydrocarbon compounds.
- 3 (7) "Automotive Lubricants" means any material interposed
- 4 between two surfaces that reduces the friction or wear between
- 5 them.
- 6 (8) "Engine Fuel Designed for Special Use" means engine
- 7 fuels designated by the Director requiring registration. These
- 8 fuels normally have no ASTM or other national consensus standards
- 9 applying to their quality or usability; common special fuels are
- 10 racing fuels and those intended for agricultural and other off-road
- 11 applications.
- 12 (9) "Sold" means kept, offered, or exposed for sale.
- 13 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS.
- 14 Sec. 13A.011. ADMINISTRATION, ADOPTION OF STANDARDS, AND RULES.
- 15 The provisions of this Act shall be administered by the department.
- 16 For the purpose of administering and giving effect to the
- 17 provisions of this Act, the specification and test method standards
- 18 set forth in the most recent edition of the Annual Book of ASTM
- 19 standards and supplements thereto, and revisions thereof, are
- 20 adopted except as amended or modified as required by the department
- 21 to comply with federal and state laws. When no ASTM standard exists,
- 22 other generally recognized national consensus standards may be
- 23 used. The department is empowered to write rules and regulations on
- 24 the advertising, posting of prices, labeling, standards for, and
- 25 <u>identity of fuels, petroleum products, and automotive lubricants</u>
- 26 and is authorized to establish a testing laboratory. The
- 27 department may identify a toll free number for consumers to report

- 1 suspected violations of this Act.
- 2 Sec. 13A.012. GENERAL DUTIES AND POWERS. The department has the
- 3 responsibility for testing fuel mixtures and octane rating, given
- 4 in Vernon's Civil Statues Title 132, Occupational and Business
- 5 Regulation, Chapter 4, Gasoline and Petroleum Products, Article
- 6 8614, Section 2. By power of this act the department shall have the
- 7 authority to:
- 8 (1) Enforce and administer all the provisions of this Act by
- 9 inspections, analyses, and other appropriate actions.
- 10 (2) Have access during normal business hours to all places where
- 11 engine fuels, petroleum products, and automotive lubricants are
- 12 kept, transferred, offered, exposed for sale, or sold for the
- 13 purpose of examination, inspection, taking of samples, and
- 14 investigation. If such access is refused by the owner, agent or
- 15 other persons leasing the same, the department may obtain an
- 16 administrative search warrant from a court of competent
- 17 jurisdiction.
- 18 (3) Collect, or cause to be collected, samples of engine fuels,
- 19 petroleum products, and automotive lubricants marketed in this
- 20 state, and cause such samples to be tested or analyzed for
- 21 compliance with the provisions of this Act.
- 22 (4) Define engine fuels for special use and issue a stop-sale
- 23 order if found not to be in compliance and lift the stop-sale order
- 24 if the engine fuel for special use is brought into full compliance
- 25 with this Act.
- 26 (5) Issue a stop-sale order for any other engine fuel, petroleum
- 27 product, and automotive lubricant found not to be in compliance and

- 1 lift the stop-sale order if the engine fuel, petroleum product, or
- 2 automotive lubricant is brought into full compliance with this Act.
- 3 (6) Refuse, revoke, or suspend the registration of an engine fuel
- 4 designed for special use.
- 5 (7) Establish standards for biofuel quality.
- 6 (8) Delegate to appropriate personnel any of these
- 7 responsibilities for the proper administration of this Act.
- 8 Sec. 13A.013. INSPECTION FEE. There shall be a fee of \$100 per
- 9 appropriate unit of measure on all products covered under the scope
- 10 of this Act marketed for the purposes of administering and
- 11 effectively enforcing the provisions of this Act.
- 12 Sec. 13A.014. PROHIBITED ACTS. It shall be unlawful to:
- 13 (1) Represent engine fuels, petroleum products, or
- 14 automotive lubricants in any manner that may deceive or tend to
- 15 deceive the purchaser as to the nature, brand, price, quantity,
- 16 and/or quality of such products.
- 17 (2) Fail to register an engine fuel designed for special
- 18 use.
- 19 (3) Submit incorrect, misleading, or false information
- 20 regarding the registration of an engine fuel designed for special
- 21 <u>use.</u>
- 22 (4) <u>Hinder or obstruct the department in the performance of</u>
- 23 the department's duties.
- 24 (5) Represent an engine fuel, petroleum product, or
- 25 automotive lubricant that is contrary to the provisions of this
- 26 Act.
- 27 (6) Represent automotive lubricants with an S.A.E. (Society

- 1 of Automotive Engineers) viscosity grade or API (American Petroleum
- 2 Institute) service classification other than those specified by the
- 3 intended purchaser.
- 4 SUBCHAPTER C. ENGINE FUELS DESIGNED FOR SPECIAL USE.
- 5 Sec. 13A.021. REGISTRATION OF ENGINE FUELS DESIGNED FOR SPECIAL
- 6 USE. All engine fuels designed for special use must be registered
- 7 with the department. Such registration shall include:
- 8 (1) Name, brand, or trademark under which the fuel
- 9 will be sold.
- 10 (2) Name and address of person registering the engine
- 11 fuel.
- 12 (3) The special use for which the engine fuel is
- 13 designed.
- 14 (4) A certification, declaration, or affidavit
- 15 stating the fuel specifications.
- 16 SUBCHAPTER D. ADMINISTRATIVE PENALTIES.
- 17 Sec. 13A.031. ASSESSMENT OF ADMINISTRATIVE PENALTIES. The
- 18 department may assess an administrative penalty of not more than
- 19 one thousand dollars (\$1,000), in accordance with Sections 12.020
- 20 and 12.0202 of the Texas Agriculture Code, against any person who
- 21 violates a provision of this Act or any rule promulgated
- 22 <u>thereunder.</u>
- 23 Sec. 13A.033. COLLECTION OF PENALTIES. If the respondent has
- 24 exhausted administrative appeals and the administrative penalty
- 25 has been upheld, the respondent shall pay the civil penalty within
- 26 180 days after the effective date of the final decision. If the
- 27 respondent fails to pay the penalty, a civil action may be brought

H.B. No. 4448

- 1 by the Attorney General in any court of competent jurisdiction to
- 2 recover the penalty. Any administrative penalty collected under
- 3 this Act shall be transmitted to the general revenue fund.
- 4 SECTION 2. This Act takes effect immediately if it receives a vote
- 5 of two-thirds of all the members elected to each house, as provided
- 6 by Section 39, Article III, Texas Constitution. If this Act does not
- 7 receive the vote necessary for immediate effect, this Act takes
- 8 effect September 1, 2009.