

## **BILL ANALYSIS**

Senate Research Center

H.B. 4690  
By: Gerdes (Blanco)  
Business & Commerce  
5/16/2025  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Department of Licensing and Regulation (TDLR) oversees the state's fuel quality program, which includes registering fuel-dispensing devices and testing motor fuels. By law, all fuel sold or offered for sale in Texas must meet nationally recognized standards set by ASTM International (formerly the American Society for Testing and Materials). A key component of these standards is compliance with vapor pressure requirements, which measure how easily gasoline evaporates. Gasoline becomes more volatile in warmer temperatures, increasing emissions and contributing to ozone formation. To mitigate this, the U.S. Environmental Protection Agency sets seasonal vapor pressure limits during the summer. In cooler months, each state sets its own standards through a state implementation plan. In Texas, this responsibility belongs to the Texas Commission on Environmental Quality.

Recent changes to ASTM D4814—the national standard for automotive gasoline—have complicated fuel classifications during the transitional months of April and November. In response, Texas implemented two distinct seasonal vapor pressure requirements for those months, dividing the state along the 99th meridian. Fuel sold east of this line must meet one set of standards, while fuel sold to the west must meet another.

This division has created significant logistical challenges for refiners and retailers. Suppliers must produce and store two different fuel blends, but many lack the storage capacity to manage both. As a result, businesses—especially those operating near the dividing line—face compliance uncertainty and potential supply disruptions.

H.B. 4690 aims to address these issues by creating a statutory exception to the dual vapor pressure rule. This bill would allow retailers to sell gasoline that meets either standard during April and November, helping streamline compliance and ensure a more consistent fuel supply across the state.

H.B. 4690 amends current law relating to motor fuel measuring, quality, and testing standards.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 2 (Section 2310.107, Occupations Code) and SECTION 3 (Section 2310.2016, Occupations Code) of this bill.

Rulemaking authority previously granted to the Texas Commission of Licensing and Regulation is modified in SECTION 5 (Section 2310.203, Occupations Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2310.060(a-1), Occupations Code, to require the Texas Department of Licensing and Regulation (TDLR) or an authorized representative of TDLR, in implementing this section, to meet certain criteria, including following the standards and procedures described by Section 2310.203, rather than the procedures adopted by TDLR, for collecting, sampling, and handling motor fuel.

SECTION 2. Amends Section 2310.107, Occupations Code, as follows:

Sec. 2310.107. TOLERANCES. Requires the Texas Commission of Licensing and Regulation (TCLR) by rule to set the specifications and tolerances for motor fuel metering devices to be the same as the most recently adopted or amended standards recommended by the National Institute of Standards and Technology at the time the device is used, rather than requiring the specifications and tolerances for motor fuel metering device to be the same as those recommended by the National Institute of Standards and Technology.

SECTION 3. Amends Subchapter E, Chapter 2310, Occupations Code, by adding Section 2310.2016, as follows:

Sec. 2310.2016. MOTOR FUEL QUALITY STANDARDS. (a) Requires TCLR by rule to set the minimum quality standards for motor fuel sold or offered for sale in this state to the most recently adopted or amended petroleum standards on the date of the sale by ASTM International.

(b) Requires TCLR to adopt rules to ensure that, except as provided by Section 2310.2031, gasoline or gasoline blended with ethanol that is sold or offered for sale in this state meets the standard specification requirements applicable to the period and region, as described in the most recent edition of ASTM International's publication D4814, "Standard Specification for Automotive Spark-Ignition Engine Fuel."

SECTION 4. Amends the heading to Section 2310.203, Occupations Code, to read as follows:

Sec. 2310.203. MOTOR FUEL QUALITY TESTING STANDARDS AND PROCEDURES.

SECTION 5. Amends Sections 2310.203(a) and (c-1), Occupations Code, as follows:

(a) Authorizes TDLR or an authorized representative of TDLR to collect samples and conduct testing at any location where motor fuel is kept, transferred, sold, or offered for sale to verify that the motor fuel complies with the motor fuel quality standards described by Section 2310.2016, rather than with the minimum standards required by Section 2310.202 (Minimum Motor Fuel Quality and Testing Standards).

(c-1) Requires that the rules adopted under this subsection provide that the applicable standard for motor fuel testing is ASTM International's most recently adopted or amended standard on the date of the test.

SECTION 6. Amends Subchapter E, Chapter 2310, Occupations Code, by adding Section 2310.2031, as follows:

Sec. 2310.2031. EXCEPTIONS TO MOTOR FUEL QUALITY STANDARDS. (a) Provides that gasoline or gasoline blended with ethanol that is sold or offered for sale in this state during periods when areas adjacent to the meridian of 99° 00' west longitude line on opposite sides of the line have different volatility classes under the most recently adopted Schedule of U.S. Seasonal and Geographic Volatility Classes in ASTM International's publication D4814, "Standard Specification for Automotive Spark-Ignition Engine Fuel," conforms with Chapter 2310 and TCLR rules if it complies with the volatility class for either area.

(b) Provides that gasoline sold or offered for sale in this state conforms with this chapter and rules set by TCLR if it meets or exceeds the most recently adopted Driveability Index prescribed by the Vapor Pressure and Distillation Class Requirements for vapor pressure or distillation classes AAA, AA, or A under ASTM International's publication D4814, "Standard Specification for Automotive Spark-Ignition Engine Fuel."

(c) Provides that gasoline blended with up to 15 volume percent ethanol is granted a vapor pressure tolerance waiver of 1.0 pound per square inch except for gasoline blends sold or offered for sale beginning May 1 and ending October 1 each year in counties required to comply with low emissions motor fuel standards.

(d) Authorizes seasonal specifications for vapor pressure to be extended for a maximum period of 15 days to allow for the distribution of existing stocks. Prohibits new stocks of a higher volatility classification from being offered for retail sale in this state before the effective date of the higher volatility classification.

(e) Provides that the vapor-to-liquid ratio specification under this section does not apply to gasoline or gasoline ethanol blends.

(f) Prohibits this section from being construed to interfere with regulations for low emissions motor fuels adopted by this state to comply with federal law.

SECTION 7. Repealer: Section 2310.202 (Minimum Motor Fuel Quality and Testing Standards), Occupations Code.

SECTION 8. Makes application of this Act prospective.

SECTION 9. Effective date: upon passage or September 1 ,2025.