Legislative Analysis

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BIODIESEL FUEL REQ.; REGULATE DIESEL FUEL

House Bill 4235 as introduced
Sponsor: Rep. Neal Nitz
Committee: Agriculture

First Analysis (4-13-05)

BRIEF SUMMARY: The bill would amend the Motor Fuels Quality Act to require that diesel fuel sold or offered for sale in the state contain at least two percent biodiesel, and would require the Department of Agriculture to establish standards relating to the quality of diesel fuel sold or offered for sale in the state.

FISCAL IMPACT: The Department of Agriculture estimates that on-going costs of a new diesel inspection and testing program would be approximately $792,000 per year. This represents the costs of field inspectors (six full-time equated positions) and additional laboratory staffing costs (two full-time equated positions). In addition, the department indicates that the program would require approximately $549,000 in one-time laboratory equipment costs. The above costs do not reflect costs of potential upgrades necessary to the East Lansing laboratory. The new program would not generate additional revenue. Distributors and retail dealers currently pay a single license fee under the Motor Fuels Quality Act.

THE APPARENT PROBLEM:

Biodiesel fuel is a value-added agricultural processed fuel that can be made from virtually any oil or animal fat, though it is most commonly produced from soybeans. Biodiesel is chemically similar to petro-diesel and can be used in existing diesel fuel engines without significant modification, and can be used as a pure fuel (B100) or as a blend with petro-diesel, with the most common being a 20 percent blend (B20).

In recent years, the use of biodiesel by local governments, businesses, and individuals as an alternative or additive to petro-diesel has become increasingly commonplace. Since 2002, the St. Johns School District in Clinton County has operated its bus fleet using B100, even reporting reduced maintenance costs. In addition, the Energy Office within the Department of Labor and Economic Growth (DLEG) has provided many local governments with grants to encourage the use of biodiesel in school and municipal bus fleets. Recently, the Energy Office provided the City of Ann Arbor with a $24,500 biodiesel infrastructure grant, made available through the U.S. Department of Energy, to install B20 fuel pumps at two Meijer gas stations in Ann Arbor and Ypsilanti by spring 2005. According to DLEG, fuel sales are expected to be around 72,000 gallons annually, with annual increases of one to two percent.

The use of biodiesel in recent years has increased, in part, because the fuel is considerably more “environmentally friendly” than conventional petro-diesel, although it

does result in increased emissions of nitrous oxide (10 percent increase with B100 and 2 percent increase with B2). Pure biodiesel (B100) contains no sulfur and is entirely biodegradable, and meets the sulfur reduction requirements of the federal Environmental Protection Agency. The use of biodiesel (in any blend) in a conventional diesel engine results in substantial reductions in unburned hydrocarbons, carbon monoxide, and particulate matter compared to the emissions of petro-diesel fuel. The reduction of toxic emissions is a principal reason several school districts and municipalities in the state have opted to use biodiesel fuel in their bus fleets, as they transport individuals (children and the elderly) who are more susceptible to respiratory difficulties and ailments resulting from bus emissions.

In recent years, many states have taken steps to increase biodiesel use and production. Minnesota recently enacted legislation requiring diesel fuel sold or offered for sale in the state to include at least two percent biodiesel (B2). In addition, many other states have created incentives for the production of biodiesel and have taken steps to mandate its use in their own motor vehicle fleets. Given the perceived benefits of biodiesel, the increased usage of biodiesel in Michigan, and the recent efforts of other states (particularly Minnesota), legislation mandating the use of biodiesel in diesel fuel sold or offered for sale in the state has been introduced.

THE CONTENT OF THE BILL:

The Motor Fuels Quality Act regulates the sale and quality of gasoline sold or offered for sale in the state. The act specifically requires the director of the Department of Agriculture to establish standards relating to the purity and quality of gasoline sold or offered for sale in the state and standards for the amount and type of additives allowed to be included in gasoline. The bill would require the director to establish similar standards for diesel fuel as well, and extend other general requirements relating to the sale of gasoline to include diesel fuel.

Further, the bill specifies that beginning June 30, 2006, the director would annually determine the in-state production capacity of biodiesel fuel. Diesel fuel sold or offered for sale in the state would have to include at least two percent biodiesel 30 days after the director certifies that the annual biodiesel production capacity exceeds 12 million gallons, but no earlier than January 1, 2007. The biodiesel requirement would not apply to diesel fuel sold for use in railroad locomotives or off-road taconite and copper mining equipment.

The bill would define "biodiesel" to generally mean a fuel derived from vegetable oils or animal fats meeting the standards for B100 as specified by the American Society for Testing and Materials and approved by the state Department of Agriculture.

MCL 290.642 et al.

BACKGROUND INFORMATION:

Biodiesel Fuel Standards

Standards for B100 have been established by the American Society for Testing and Materials, as ASTM standard D6751-03. Similar standards for petro-diesel have also been established (D975). The purpose of D6751 is to ensure the quality of biodiesel blends of B20 and lower. The standard defines "biodiesel" to mean a fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, designated B100. (The bill essentially copies this definition). The ASTM biodiesel standard is not a standard for B100 as a stand-alone motor fuel, though it may be used as such in consultation with equipment manufacturers. Rather, the ASTM standard is intended to apply to B100 used for biodiesel blends. There are, at present, no specific standards for biodiesel blends. The component parts of blended biodiesel – B100 and petro-diesel – should each meet their respective standards prior to blending. Once the biodiesel fuel is blended, it is difficult to determine the quality of the B100 used in the blend. However, specifications for biodiesel blends of B20 or lower are currently under development by the ASTM.

The Department of Energy notes that biodiesel blends of B5 or lower generally meet the properties of ASTM standard for petro-diesel. Blends of B20 or higher also meet the petro-diesel standards, except for viscosity and distillation standards.

Biodiesel Fuel Characteristics

Biodiesel blends meeting the ASTM petro-diesel standards can generally be used in existing (particularly newer) diesel engines with little or no modifications, provided the cold flow properties (the point where the fuel begins in gel and "freeze") are adequate for the geography and time of year, which is particularly important for a state like Michigan. However, in high percentages, the fuel may cause deposits from the petro-based diesel fuel that has accumulated on the walls of the fuel tank and pipes to release, thereby clogging the filters. B100 also tends to degrade and seep through hoses, gaskets, and seals with prolonged exposure in, generally, older engines (pre-1993), necessitating replacement and increased maintenance.

Energy Content - The energy content (measured in BTUs per gallon) of the fuel largely determines engine performance in terms of fuel economy, torque, and horse power. B100 biodiesel has a lower energy content – estimated at about 8 percent to 11 percent lower per gallon – than petro-diesel. The disparity in energy content between petro-diesel and biodiesel blends diminishes as the amount of biodiesel lowers, so that the engine performance of biodiesel blends are comparable - although still inferior - to petro-diesel. While studies vary, it is estimated that the fuel economy of B20 is about one percent to two percent lower than that of petro-diesel.

Cold Flow Properties - One of the common concerns with biodiesel - and petro-diesel for that matter - is its cold-flow properties. Cold weather will cloud and even gel both

conventional petro-diesel and biodiesel. (The "cloud point" is the temperature at which small solid crystals are first visually observed as the fuel cools. The "cold filter plug point" is the temperature at which the crystals have accumulated to the point where the filter is plugged. The "pour point" is the temperature at which the fuel has gelled and can no longer flow.) Fuel blends with higher percentages of biodiesel will generally have higher cold flow points. A B20 biodiesel blend would cloud and gel at higher temperatures than petro-diesel, and a B100 biodiesel fuel would cloud and gel at higher temperatures than a B20 blend. Fuel blends with small percentages of biodiesel (B5 or below) are generally comparable to petro-diesel. Cold flow properties are also a function of the type of commodity used for biodiesel, as yellow grease-based biodiesel begins to cloud and gel at higher temperatures than soybean-based biodiesel.

There are, however, several precautions that may be employed to slow the cold flow properties, including the use of fuel additives and fuel heaters, and even storing the vehicle inside a building, all of which are common practices with petro-diesel. In addition, the Department of Energy notes that B100 should generally be stored at least 5˚F to 10˚F higher than the cloud point of the fuel (approximately 30˚F). If the fuel is stored outside and temperatures regularly fall below the cloud point, the fuel pumps, fuel lines, and dispensers should be protected from the cold with insulation, heating systems, and other protective measures.

Lubricity - Diesel fuel operates as an excellent lubricant, protecting the engine, fuel injection pumps, and other engine parts from normal wear and tear. Lubricity of diesel fuel is more a function of the various components of the fuel, such as sulfur content, and not so much its viscosity (thickness). In recent years, there have been several laws and regulations that have mandated lower levels of the components that act as a lubricant in the fuel (particularly sulfur) to reduce their toxic emissions and temper any harmful environmental impacts. [In 2006, the permitted sulfur content of diesel fuel is set to drop from 500 ppm to 15 ppm.] The use of biodiesel in small amounts (one to two percent) substantially improves lubricity, although additives to petro-diesel may achieve the same results at lower costs.

State Biodiesel Production Incentives

In the 2001-02 legislative session, as part of the NextEnergy package, the legislature and governor enacted Public Act 531 of 2002 (Senate Bill 1332), which amended the Single Business Tax Act to provide a tax credit for those businesses engaged in the manufacture of certain “renewable fuels”, including biodiesel. Specifically, Public Act 531 established a nonrefundable credit equal to the increase in tax liability in the current tax year over the tax liability in 2001 attributable to expenses for research, development, and manufacture of renewable fuels.

In the 2002-03 legislative session, the legislature and governor enacted Public Act 5 of 2003, which amended the Plant Rehabilitation and Industrial Development Act - commonly known as P.A. 198 - to permit local governmental units to provide property

tax abatements to businesses that are engaged in the creation or synthesis of biodiesel fuel.

Finally, the Michigan Biomass Energy Program within the Energy Office of the Department of Labor and Economic Growth provides grants, primarily through the assistance of the Great Lakes Biomass State-Regional Partnership, to encourage the use and production of biomass (organic matter available on a renewable basis that can be converted to usable energy), including biodiesel. More information regarding the program can be obtained from its website at www.michigan.gov/biomass.

Federal Biodiesel Protection Incentives

Recently, Congress and President Bush enacted the Jumpstart Our Business Strength (JOBS) Act of 2004 (HR 4520/P.L. 108-357), an omnibus corporate tax bill closing numerous corporate tax "loopholes" and providing numerous corporate tax credits, including a variety of biodiesel-related tax incentives. [The biodiesel provisions are contained in Subtitle G of the bill.] One provision of the bill amends the Volumetric Ethanol Excise Tax Credit Act of 2004 to provide a credit against the gasoline excise tax for alcohol fuel and biodiesel mixtures. Another provision provides an income tax credit for biodiesel used as fuel.

In addition, the U.S. Department of Agriculture (USDA) Bionergy Program provides grants through the Commodity Credit Corporation (CCC) for ethanol and biodiesel production. The program was established in 2000, and re-established with the 2002 farm bill (H.R. 2646/P.L. 107-171, Section 9010). The program provides payments to ethanol and biodiesel producers for the purchase of commodities to expand production. (See also Title 7, Part 1424 of the Code of Federal Regulations.)

Minnesota Biodiesel Mandate

In 2002, the Minnesota legislature enacted - without the signature of then-Governor Ventura - Chapter 244 of the session laws of 2002 (Minnesota Statutes 239.77 et al) requiring that all diesel fuel sold or offered for sale in the state for use in internal combustion engines contain at least two percent biodiesel. The mandate is effective after June 30, 2005, but only after the state agriculture commissioner provides notice that the annual production capacity in the state exceeds 8 million gallons. The biodiesel mandate does not apply to motors located at an electric generating plant regulated by the Nuclear Regulatory Commission, railroad locomotives, or off-road taconite and copper mining equipment and machinery.

In addition, any distributor that makes capital expenditures to adapt or add equipment to blend biodiesel fuel may be eligible for a partial reimbursement for those expenditures if the biodiesel mandate is repealed within eight years of the effective date. If the mandate is repealed within two years, the distributor will be reimbursed up to 80 percent of the expenditures. For each year thereafter, the total amount to be reimbursed declines by 10 percent (thereby permitting a 20 percent reimbursement in the eighth year).

In March 2003, Minnesota Governor Tim Pawlenty established a biodiesel taskforce to promote the development of the biodiesel industry in the state and to ease the introduction of biodiesel into the marketplace. The task force includes representatives from farm organizations, fat and oil processors, the petroleum industry, environmental groups, public health groups, grower organizations, research and education experts, and consumers.

Efforts in Other States

Indiana - In 2003, as part of the enacted budget for the 2003-2005 biennium (P.L. 224-2003, now Indiana Code 6-3.1-27), the Indiana General Assembly and governor established three new biodiesel-related tax credits. The first credit is a biodiesel production credit available to taxpayers producing biodiesel at facilities located in the state equal to $1 times the number of gallons of biodiesel the taxpayer produces in the state and used in the production of blended biodiesel (greater than B2, but not B100). The credit is reduced by the amount of any federal tax credit. The second credit is equal to two cents per gallon of blended biodiesel produced at a facility located in Indiana and blended with biodiesel produced in an Indiana facility. The third tax credit is provided to service station dealers selling blended biodiesel fuel through a metered sales pump, and is equal to one cent per gallon of blended biodiesel sold.

Illinois – In July 2003, the Illinois General Assembly and Governor Blagojevich enacted legislation (SB 46/P.L. 093-0017) exempting biodiesel from state sales and use taxes. Biodiesel blends of B1 to B10 receive a 20 percent exemption, while blends above B10, including B100, are entirely exempt from taxation. In addition, Governor Blagojevich issued Executive Order 2004-7 directing the Illinois Department of Central Management Services to take whatever action necessary to procure B2 for use in the state's diesel-powered motor vehicle fleet.

The biodiesel sales and use tax legislation was tie-barred to another bill (HB 46/P.L. 093-0015) that established the Illinois Renewable Fuels Development Program. The program provides up to $15 million (in aggregate) in grants annually to firms for the construction, modification, alteration, or retrofitting of renewable fuel (ethanol, biodiesel, etc) plants in Illinois with a production capacity of at least 30 million gallons of renewable fuel per year. Preference is given to firms using agricultural products from Illinois in the production of the renewable fuel.

Ohio – In March 2003, the Ohio General Assembly and Governor Taft established a task force on biofuels and renewable energy to examine the biofuels and renewable energy industries within the state and surrounding states. The task force issued its report on March 1, 2004 recommending, among other things, that efforts should be made to use biodiesel in state-owned, diesel powered vehicles. The task force also recommended that the General Assembly establish several funds, administered by the Ohio Department of Development, to provide grants for renewable energy industries and production.

In addition, legislation (HB 293) has been introduced in the Ohio House of Representatives that would require all diesel powered vehicles owned by the state or a political subdivision to use a biodiesel blend of at least B20. The bill would also require diesel fuel sold in the state to contain at least five percent biodiesel (B5).

Technical information in this analysis was obtained primarily from publications of the National Biodiesel Board, which can be located on the Internet at www.biodiesel.org. Information also was derived from the following reports:

"Biodiesel Performance, Costs, and Use," U.S. Department of Energy, Energy Information Administration; June 2004. Available on the Internet at www.eia.doe.gov/oiaf/analysispaper/biodiesel/index.html

"2004 Biodiesel Handling and Use Guidelines," U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, September 2004. Available on the Internet at www.eere.energy.gov/biomass/pdfs/36182.pdf

Tiffany, Douglas G, "Biodiesel: A Policy Choice for Minnesota," University of Minnesota Department of Applied Economics, May 2001. Available on the Internet at www.biodiesel.org/resources/reportsdatabase/reports/gen/20010501_gen-324.pdf

ARGUMENTS:

For:

The primary justification for the use of biodiesel is its environmental benefit, as it results in substantial reductions in unburned hydrocarbons, carbon monoxide, and particulate matter compared to the emissions of petro-diesel fuel. It does, however, result in greater nitrous oxide emissions, although those emissions can be reduced with the use of additives.

The reduction of toxic emissions greatly improves the state's air quality and environmental health. These consequences are inherently "public goods" in that the greatest benefits of the use of biodiesel are enjoyed by all residents of the state, without excluding or diminishing individual enjoyment of the benefits. However, individual users of biodiesel generally don't realize these direct benefits, as biodiesel use on such a small (individual) scale does not improve air quality to the same extent as widespread use.

Moreover, since engine performance with biodiesel and petro-diesel is comparable (but not markedly better) than with standard fuel, biodiesel users generally do not realize a significant direct benefit as they would using other fuel additives or alternatives (such as hybrid engines). Biodiesel users do, however, realize the direct costs of biodiesel, namely increased fuel costs, although some large scale users of biodiesel have reported offsetting lower maintenance costs.

Given the balance of costs and benefits of biodiesel use, it is unlikely that consumer demand for biodiesel will reach the point where it will prompt the petroleum industry to make biodiesel a readily available commodity. Moreover, it seems unlikely that the petroleum industry would be receptive to the introduction of a non-petroleum-based fuel like biodiesel into the fuel supply without a government mandate. Considering the environmental benefits of biodiesel fuel and the apparent market failures, the increased use of biodiesel is a legitimate governmental interest that warrants a mandate.

Response:

Opponents note that the environmental benefits of biodiesel fuel over petro-diesel fuel are greatly diminished when ultra low sulfur diesel fuel is used in place of conventional petro-diesel. (The use of ultra low sulfur diesel meets the EPA's sulfur reduction requirements.) This eliminates the principal argument for mandating the use of biodiesel and makes a government mandate unnecessary and inappropriate.

For:

The government already regulates motor fuel quality and has often mandated or prohibited the use of certain additives, often due to environmental concerns. The state and many other states have recently enacted laws banning the use of the toxic fuel additive methyl tertiary butyl ether (MTBE), which is one of many fuel additives – known as oxygenates - that increase the oxygen content of gasoline, because MTBE is a possible carcinogen and contaminates drinking water. Also, the EPA has mandated the use of ultra low sulfur diesel fuels to dramatically reduce emissions. Finally, certain blends of fuel are required during the winter and summer months due to the need for reduced emissions and to meet seasonal demands. So, a biodiesel mandate is really no different than other government regulations.

For:

Petro-diesel fuel is derived from a nonrenewable energy source largely imported from other counties. An increased use of biodiesel as result of the mandate would lessen the country's reliance on foreign oil and, more importantly, foster the development of an alternative, renewable energy source.

For:

The biodiesel mandate has the potential to generate a significant amount of economic activity in the state and greatly benefit soybean farmers. Soybean farmers will benefit as prices and production capacity increase. In addition, workers will be needed to construct and operate processing plants in the state. Also, increased soybean prices should decrease expenditures for price-support and income-support programs administered by the U.S. Department of Agriculture.

Against:

Government imposed mandates are bad policy as a general rule because they cause market distortions by artificially inflating consumer demand for a product, particularly when current supply may not meet that new level of demand. Rather than interfering with the marketplace, the state should let consumer demand determine the development of biodiesel fuel use in the state.

A government imposed mandate also limits consumer choice. In this instance, the mandate eliminates consumer choice entirely by requiring all diesel fuel – except in certain limited circumstances – to contain at least two percent biodiesel. However, many older diesel fuel engines may not be completely compatible with biodiesel, thus requiring modification or increased maintenance, and increasing the potential for engine damage. In the absence of a government mandate, many consumers – regardless of price and environmental impact – would continue to choose petro-diesel over biodiesel because of the potential negative impact on engine operation from biodiesel. If it is shown that biodiesel was the cause of the engine failure, the engine warranty could be voided.

Response:

Consumer choice regarding the contents of motor fuel (perhaps other than octane level) is already rather limited. Generally speaking, consumers have little knowledge of the components of fuel and accept what fuel is offered for sale. Decisions about the components of fuel are generally made at the refiner and terminal level, not the retail level where consumer choice can best be exercised.

Against:

Opponents of the bill argue that it will increase fuel costs. This could be significant for those (the state, local governments, and trucking companies) with motor vehicle fleets consuming large quantities of diesel fuel. While study results vary, it is estimated that the cost of B100 is about $1 more per gallon than conventional petro-diesel. Generally, as a rule of thumb, for each percent of biodiesel blended, the price of the blended fuel will increase one to two percent.

The cost of biodiesel (B100) is dependent on the cost of its processing, packaging, transporting, and distribution, and most importantly, on the cost of feedstock, which is a function of available supply and demand. However, like other agricultural commodities, the production of soybeans for later use in the production of biodiesel is dependent on a number of factors, including the weather. When production declines, the price of biodiesel will increase, resulting in higher prices at the pump. Further, in a recent study, the Department of Energy notes, "[u]nless soybean oil prices decline dramatically, it does not appear that biodiesel can be produced in large quantities at a cost that is competitive with petroleum diesel."

The price of biodiesel blends is also dependent on activities taken by terminals and retailers to store and blend biodiesel. Biodiesel blends have higher cloud points and pour points than petro-diesel, which requires petroleum terminals to make infrastructure improvements to store and blend biodiesel. These increased infrastructure costs can be significant, and will be passed onto consumers through higher fuel prices.

The bill does not make it clear when infrastructure upgrades will be necessary. Under the bill, the mandate will not take effect until the in-state biodiesel production capacity (most likely from soybeans) exceeds $12 million gallons, and no earlier than 2007. The mandate, then, will not be in effect for at least another two years, though the actual date is far from certain. Do petroleum companies make the necessary infrastructure adjustments this year, next year, 2007, or 2010?

Response:

The added cost of biodiesel is perhaps the largest impediment to widespread use of biodiesel. Consumer hesitance at using biodiesel because of its higher cost obviously lowers demand. However, when biodiesel is used in low percentages (such as B2) the price differential between the blend and petro-diesel is only a few cents per gallon. Moreover, continued increases in the price of diesel fuel (now at historic highs) and the proliferation of biodiesel-related production subsidies (such as those contemplated in the federal energy bill and the JOBS Creation Act) have the potential to greatly reduce the price disparities between biodiesel and petro-diesel.

Against:

Some within the petroleum industry are concerned that there are still no true standards for biodiesel blends. The standards established by the American Society for Testing and Materials (D6751) are for B100 used for biodiesel blends. Currently, there are no standards for biodiesel blends. For biodiesel blends, the B100 fuel must meet the established ASTM standards, and petro-diesel must also meet established ASTM standards. However, once the fuel is blended it is difficult to determine the quality of the B100 used in the blend.

Response:

Again, standards for biodiesel blends of B20 and lower are being developed by the ASTM, and the Department of Energy notes that biodiesel blends of B5 or lower generally meet the ASTM petro-diesel standards. Moreover, biodiesel is registered as a fuel and fuel additive with the Environmental Protection Agency (EPA) and meets clean diesel standards established by the California Air Resources Board (CARB). B100 has also been designated as an alternative fuel by the Department of Energy and the US Department of Transportation.

For:

Lost in the discussion over the merits of biodiesel and the appropriateness of a governmental mandate has been any discussion over diesel fuel standards. The Motor Fuels Quality Act regulates the sale and purity of gasoline sold or offered for sale in the state and requires the director of the Department of Agriculture to establish standards for gasoline. However, the act and related departmental regulations do not provide for any standards related to the sale of diesel fuel in the state. Consumers with complaints about the quality of gasoline can call the Department of Agriculture (1-800-MDA-FUEL), and the department will investigate. However, if a consumer has a complaint regarding the quality of diesel fuel, the department lacks the statutory authority (and necessary equipment) to test the fuel. The department may take action under the Weights and Measures Act regarding any consumer complaints regarding the quantity of diesel fuel dispensed. This is a serious gap in the state's consumer protection laws that should be addressed because poor quality diesel fuel can impair engine performance and, worse yet, seriously damage an engine.

Response:

Given the concern over the appropriateness of a biodiesel fuel mandate, the bill's biodiesel provisions and diesel fuel standards provisions should really be split into two

bills. That way, the diesel fuel standards legislation can proceed without being bogged down by the biodiesel legislation.

POSITIONS:

The Michigan Soybean Association supports the bill. (4-12-05)

The Michigan Farm Bureau supports the bill. (4-12-05)

The National Biodiesel Board supports the bill. (4-12-05)

The Michigan Environmental Council supports the bill. (4-12-05)

SERCO LLC supports the bill. (4-12-05)

Zeeland Farm Services supports the bill. (4-12-05)

Ag Solutions Inc supports the bill. (4-12-05)

The Michigan Biodiesel Alliance supports the bill. (4-12-05)

Bio Economy Development supports the bill. (4-12-05)

The Associated Petroleum Industries of Michigan opposes the bill. (4-12-05)

The Michigan Petroleum Association opposes the bill.(4-12-05)

The Michigan Chamber of Commerce opposes the bill. (4-12-05)

The Michigan Concrete Association opposes the bill. (4-12-05)

The Michigan Manufacturing Association opposes the bill. (4-12-05)

The Michigan Trucking Association opposes the bill. (4-12-05)

The National Federation of Independent Business opposes the bill. (4-12-05)

The Service Station Dealers Association opposes the bill. (4-12-05)

Marathon Ashland Petroleum opposes the bill; the company supports incentives but opposes mandates. (4-12-05)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.