

# Fiscal Note

**BILL #** HB 2300

**TITLE:** ~~electric vehicle charging stations; report~~ NOW: fuel

**SPONSOR:** Biasiucci

**STATUS:** Senate Engrossed

**PREPARED BY:** Maggie Rocker

## Description

The bill would expand fuel reformulation options in Maricopa County and Area A, which includes portions of Pinal and Yavapai Counties, modify waivers allowed under certain fuel supply conditions, and make associated changes to regulatory requirements for the Weights and Measures Services Division (WMSD) in the Arizona Department of Agriculture (AZDA) and the Arizona Department of Environmental Quality (ADEQ). The bill also includes conditional enactment clauses requiring approval from the U.S. Environment Protection Agency (EPA) for modifications of Area A's and Area C's fuel reformulation requirements.

## Estimated Impact

We expect the bill to increase workload for ADEQ and AZDA to process additional waivers from fuel standard requirements.

AZDA estimates costs of \$101,900 and 1 FTE Position for a projected increased in the number of fuel waiver requests that would be processed by WMSD.

ADEQ estimates costs of \$150,000 per petition received, which would support 1 FTE Position and comprehensive studies and emissions modeling associated with processing waiver requests. ADEQ also stated that to the extent adopted fuel blends are incompatible with underground storage tank (UST) infrastructure, more releases could occur, requiring increased inspection and remediation. The UST program impact is ultimately contingent on the fuel blends considered.

## Analysis

Current statute permits fuel reformulation options to be sold in Area A, subject to the approval of the EPA and depending on time of year (summer months vs. winter months). In the event a shortage of qualifying gasoline is imminent, registered suppliers or oxygenate blenders may petition WMSD for a temporary waiver from fuel standards. WMSD is required to consult ADEQ prior to granting or denying a petition, which must be processed within 7 days of receipt.

The proposed legislation would add several new fuel reformulation options for gasoline sold in Area A, based on legislation from the federal government and adopted standards from the California Air Resources Board. Among the allowances would be any gasoline or gasoline blend approved for use by the EPA. In addition, the bill would allow any person, not just registered suppliers and oxygenate blenders, to petition WMSD for a waiver from state and federal motor fuel standards. WMSD would be required to provide written notices of its decisions to the Senate President and Speaker of the House, in addition to the petitioner and ADEQ. The bill would also require WMSD to post information on its website regarding currently approved gasoline formulations by area in the state.

## Local Government Impact

None

4/25/2025

