

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-2682/1		Introduction Number AB-0936	
Description biodiesel fuel requirement in state-owned or state-leased trucks			
Fiscal Effect			
State:			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input checked="" type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS multiple			
Agency/Prepared By		Authorized Signature	Date
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Fiscal Estimate Narratives

DOA 3/18/2008

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Description biodiesel fuel requirement in state-owned or state-leased trucks					

Assumptions Used in Arriving at Fiscal Estimate

If enacted, this bill would require state agencies to use biodiesel blended fuel in place of regular diesel in state-owned or leased vehicles if the added cost was not prohibitive.

In calendar year 2007, the state purchased approximately 6.6 million gallons of motor fuel of which slightly less than 1.1 million gallons were either diesel or a biodiesel blend.

In March of 2006, the Governor issued Executive Order 141 directing state agencies to reduce the use of petroleum based diesel fuel by 10% by 2010. As a result, the use of biodiesel fuel increased from 6,400 gallons in calendar year 2006 to 60,300 in 2007. The majority of the biodiesel purchased was a 20% blend (B20).

The cost differential between biodiesel and regular diesel varies depending on market conditions including the cost of crude oil and refinery capacity. Also, not all areas in the state may have access to a biodiesel source.

Since state agencies are already directed under EO 141 to increase use of biodiesel to a level that would meet the conditions of this legislation, the state fiscal effect would be negligible.

The bill does not apply to local government agencies and consequently has no local fiscal effect.

Long-Range Fiscal Implications

Unknown