AN ACT relating to motor fuel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1.  KRS 363.904 is amended to read as follows:

(1) No article or commodity shall be sold or offered for sale and use in Kentucky as motor fuel unless it conforms to the following:

(a) The motor fuel shall be labeled and posted in accordance with applicable federal and state laws; and

(b) The motor fuel shall conform to the latest ASTM specifications for that particular type, class, and grade of motor fuel, except when one (1) or more of the following circumstances exists:

1. When a federal law or a federal administrative regulation imposes requirements in conflict with the ASTM standard, as provided by KRS 363.902(3); or

2. When the Governor determines that circumstances present, or are likely to present, a disruption in motor fuel supply, the Governor or the Commissioner or the secretary of the Energy and Environment Cabinet, as designated by the Governor, may issue a temporary waiver of ASTM specifications for motor fuel. The temporary waiver shall be effective for a defined period of time and shall be the shortest practicable time period necessary to permit the correction of the disruption in motor fuel supplies.

(2) For gasoline containing up to fifteen percent (15%) [ten percent (10%)] ethanol, in which case the vapor pressure limit for each class shall be increased by one (1) pound per square inch, and the ASTM V/L (vapor to liquid ratio) specification shall be waived. Additionally, the department shall adopt a minimum temperature for fifty percent (50%) distillation of gasoline containing up to fifteen percent (15%) [ten percent (10%)] ethanol through the promulgation of an administrative
regulation in accordance with KRS Chapter 13A.

(3) The motor fuel compliance with ASTM shall be determined in accordance with the test methods prescribed in the latest ASTM publications.

(4) All shipments of motor fuel shall state on either the bill of lading or invoice the destination of the shipment and that the shipment meets the standards and specifications required in this section. The division may obtain a sample of any shipment of motor fuel for testing. Motor fuel blending components shall be exempt from this section until they are offered for sale as motor fuel by the refiner or manufacturer.