

**The Florida Senate**  
**PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: Agriculture Committee

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BILL: SR 1860

INTRODUCER: Senator Bennett

SUBJECT: Renewable Energy/Agriculture

DATE: March 15, 2007

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Poole	AG	<b>Favorable</b>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

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**I. Summary:**

With the demand for energy in the United States increasing, there has been new interest in finding sources of energy from non-traditional sectors, such as agriculture, in an effort to decrease reliance on foreign sources. The “25 by ’25” initiative seeks to have 25% of the United States’ energy demand met by energy created by the agricultural sector by the year 2025. The intended effect of the initiative is twofold: it will help ease the United States’ reliance on foreign energy, while also adding value to the domestic agriculture and renewable energy sectors. An added incentive is that the energy created from these non-traditional methods will decrease the demand for petroleum, allowing a bypass of the environmental effects caused by the burning of fossil fuels.

**II. Present Situation:**

The “25 by ’25” initiative cites some of the major problems currently facing energy consumption in the United States:

- The U.S. imports more than 50% of the petroleum it uses, costing \$120 billion per year.
- Two-thirds of the world’s oil reserves are located in the Middle East.
- Fossil fuel production and use account for 60% of the greenhouse gas emissions affecting climate change.

The “25 by ’25” initiative is a project that seeks to involve both the public and private sectors in the pursuit of clean, renewable, and affordable energy that will in turn benefit those involved in the agriculture and renewable energy industries. It is headed by a steering committee, which is composed of 28 current and former federal, state and local government employees and individuals from the private sector, all of whom have extensive backgrounds in agriculture, renewable energy, or both. The steering committee seeks to build a coalition between farmers,

ranchers, and energy stakeholders and policy makers in federal, state and local government. The steering committee proposes policy recommendations that will focus on five areas:

- Increasing production of renewable energy
- Delivering renewable energy to markets
- Expanding renewable energy markets
- Improving energy efficiency and productivity
- Strengthening conservation of natural resources and the environment

### **III. Effect of Proposed Changes:**

The steering committee for the “25 by ’25” initiative seeks \$13 billion a year for the next 5 years to be funded by the federal government into programs involved in developing practical solutions for bringing renewable energy into the market. These costs will be divided into farm programs, energy programs, and tax programs. The farm programs will focus on increasing the production of bio-fuels, such as ethanol, by increasing the farm production of the commodities from which ethanol is made, such as corn and soybean, while also maintaining crops for the nation’s food supply production. The energy programs will fund research into renewable energy sources, such as wind and solar. The tax programs will give credits to programs involved in both of the aforementioned programs. The steering committee projects that by 2025, if the government funds the program areas listed by the committee, the impact of the initiative will be \$700 billion in economic activity and 5.1 million jobs, most of which would be located in rural areas.

This Senate Resolution seeks the support of the Florida Senate for the “25 by ’25” initiative, and encourages the production of renewable energy and fuels by farmers and ranchers to help meet future energy needs.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

None.

### **V. Economic Impact and Fiscal Note:**

#### **A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

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This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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## **VIII. Summary of Amendments:**

None.

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