

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

|               |                |              |
|---------------|----------------|--------------|
|               | CHAMBER ACTION |              |
| <u>Senate</u> |                | <u>House</u> |

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

Floor: 5/AD/2R  
05/02/2007 03:23 PM

.  
. .  
. .  
. .  
. .  
. .

Senator Bennett moved the following amendment:

**Senate Amendment (with title amendment)**

On page 2, between lines 9 and 10,

insert:

Section 27. Section 570.956, Florida Statutes, is created to read:

570.956 Farm-to-Fuel Advisory Council.--

(1) The Farm-to-Fuel Advisory Council is created within the department to provide advice and counsel to the commissioner concerning the production of renewable energy in this state. The advisory council shall consist of 15 members, 14 of whom shall be appointed by the commissioner and one of whom shall be appointed by the Governor for 4-year terms or until a successor is duly qualified and appointed. Members shall include:

(a) One citizen-at-large member who shall represent the views of the public toward renewable energy.

(b) Six members each of whom is a producer or grower actively engaged in the agricultural area of one of the

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1 following industries:

2       1. Sugarcane.

3       2. Citrus.

4       3. Field crops.

5       4. Dairy.

6       5. Livestock or poultry.

7       6. Forestry.

8       (c) One member who represents the petroleum industry  
9 or who is actively engaged in the trade of petroleum products.

10       (d) One member who represents public utilities or the  
11 electric power industry.

12       (e) Two members who represent colleges and  
13 universities in this state and who are engaged in research  
14 involving alternative fuels or renewable energy.

15       (f) One member who represents the environmental  
16 community or an environmental organization.

17       (g) One member who represents the ethanol industry or  
18 who has expertise in the production of ethanol.

19       (h) One member who represents the biodiesel industry  
20 or who has expertise in the production of biodiesel.

21       (i) One member appointed by the Governor.

22       (2) The council is an advisory committee the operation  
23 of which is governed by s. 570.0705.

24       Section 28. Section 570.957, Florida Statutes, is  
25 created to read:

26       570.957 Farm-to-Fuel Grants Program.--

27       (1) As used in this section, the term:

28       (a) "Bioenergy" means energy produced from organic  
29 matter that is available on a renewable or recurring basis,  
30 including crops and trees, agricultural food and feed crop  
31 residues, wood and wood wastes and residues, aquatic plants,

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1 grasses, animal wastes and residues, and other organic waste  
2 materials.

3 (b) "Department" means the Department of Agriculture  
4 and Consumer Services.

5 (c) "Person" means an individual, partnership, joint  
6 venture, private or public corporation, association, firm,  
7 public service company, or any other public or private entity.

8 (2) The Farm-to-Fuel Grants Program is established  
9 within the department to provide matching grants for bioenergy  
10 projects. Such grants may be made for research, demonstration,  
11 or commercialization projects relating to the production of  
12 bioenergy or feedstocks used in bioenergy production.

13 (a) Matching grants for bioenergy demonstration,  
14 commercialization, research, and development projects may be  
15 made to any of the following:

- 16 1. Municipalities and county governments.
- 17 2. Established for-profit companies licensed to do  
18 business in the state.
- 19 3. Universities and colleges in the state.
- 20 4. Utilities located and operating within the state.
- 21 5. Not-for-profit organizations.
- 22 6. Other qualified persons, as determined by the  
23 Department of Agriculture and Consumer Services.

24 (b) The department may adopt rules to provide for  
25 allocation of grant funds by project type, application  
26 requirements, ranking of applications, and awarding of grants  
27 under this program.

28 (c) Factors for consideration in awarding grants may  
29 include, but are not limited to, the degree to which:

- 30 1. The project produces bioenergy from Florida-grown  
31 crops or biomass.

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1           2. The project demonstrates efficient use of energy  
2 and material resources.

3           3. Matching funds and in-kind contributions from an  
4 applicant are available.

5           4. The project has a reasonable assurance of enhancing  
6 the value of agricultural products or will expand agribusiness  
7 in the state.

8           5. Preliminary market and feasibility research has  
9 been conducted by the applicant or others and shows there is a  
10 reasonable assurance of a potential market.

11           6. The project stimulates in-state capital investment  
12 and economic development in metropolitan and rural areas,  
13 including the creation of jobs and the future development of a  
14 commercial market for bioenergy.

15           7. The project incorporates an innovative new  
16 technology or an innovative application of an existing  
17 technology.

18           (d) In evaluating and awarding grants under this  
19 section, the department shall consult with and solicit input  
20 from the Department of Environmental Protection.

21           (e) In determining the technical feasibility of grant  
22 applications, the department shall coordinate and actively  
23 consult with persons having expertise in renewable energy  
24 technologies.

25           (f) In determining the economic feasibility of  
26 bioenergy grant applications, the department shall consult  
27 with the Office of Tourism, Trade, and Economic Development.

28           Section 29. Section 570.958, Florida Statutes, is  
29 created to read:

30           570.958 Biofuel Retail Sales Incentive Program.--

31           (1) The purpose of this section is to encourage the

Barcode 563366

1 retail sale of biofuels in this state and replace petroleum  
2 consumption in the state by the following percentages over the  
3 specified periods:

4 (a) Three percent from January 1, 2008, through  
5 December 31, 2008.

6 (b) Five percent from January 1, 2009, through  
7 December 31, 2009.

8 (c) Seven percent from January 1, 2010, through  
9 December 31, 2010.

10 (d) Ten percent from January 1, 2011, through December  
11 31, 2011.

12 (2) As used in this section:

13 (a) "Biodiesel" means the mono-alkyl esters of  
14 long-chain fatty acids derived from plant or animal matter for  
15 use as a source of energy and meeting the specifications for  
16 biodiesel and biodiesel blended with petroleum products as  
17 adopted by the department.

18 (b) "Biofuel" means E85 fuel ethanol, E10 motor fuel,  
19 biodiesel, and diesel blended fuel.

20 (c) "Diesel blended fuel" means a fuel mixture  
21 containing 10 percent or more biodiesel or renewable diesel  
22 fuel with the balance comprised of diesel fuel and meeting the  
23 specifications for diesel blends as adopted by the department.

24 (d) "E85 fuel ethanol" means ethanol blended with  
25 gasoline and formulated with a nominal percentage of 85  
26 percent ethanol by volume and meeting the applicable fuel  
27 quality specifications as adopted by the department.

28 (e) "E10 motor fuel" means a motor fuel blend  
29 consisting of nominal percentages of 90 percent gasoline by  
30 volume and 10 percent ethanol by volume and meeting the fuel  
31 quality specifications for gasoline as adopted by the

1 department.

2 (f) "Ethanol or fuel ethanol" means an anhydrous  
3 denatured alcohol produced by the conversion of carbohydrates  
4 and meeting the specifications for fuel ethanol as adopted by  
5 the department.

6 (g) "Fuel dispenser" means a pump, meter, or similar  
7 device used to measure and deliver motor fuel or diesel fuel  
8 on a retail basis.

9 (h) "Renewable diesel fuel" means a fuel that meets  
10 the registration requirements for fuels and fuel additives  
11 established by the Environmental Protection Agency in the  
12 Clean Air Act; is not a mono-alkyl ester; is intended for use  
13 in engines that are designed to run on conventional, petroleum  
14 derived diesel fuel; is derived from nonpetroleum renewable  
15 resources, including, but not limited to, vegetable oils,  
16 animal wastes, including poultry fats and poultry wastes, and  
17 other waste materials, or municipal solid waste and sludges  
18 and oils derived from wastewater and the treatment of  
19 wastewater; and meets the specifications for diesel fuel as  
20 adopted by the department.

21 (i) "Retail dealer" means any person who is engaged in  
22 the business of selling fuel at retail at posted retail  
23 prices.

24 (j) "Retail motor fuel site" means a geographic  
25 location in this state where a retail dealer sells or offers  
26 for sale motor fuel, diesel fuel, or biofuel to the general  
27 public.

28 (3)(a) Subject to specific appropriation, a retail  
29 dealer who sells biofuel through fuel dispensers at retail  
30 motor fuel sites is entitled to an incentive payment that  
31 shall be computed as follows:

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1       1. An incentive of 1 cent for each gallon of E10 motor  
2 fuel sold through a fuel dispenser.

3       2. An incentive of 5 cents for each gallon of E85 fuel  
4 ethanol sold through a fuel dispenser.

5       3. An incentive of 1 cent for each gallon of diesel  
6 blended fuel sold through a fuel dispenser.

7       4. An incentive of 3 cents for each gallon of  
8 biodiesel sold through a fuel dispenser.

9       (b) The incentive may be claimed for biofuel sold on  
10 or after January 1, 2008. Beginning in 2009, each applicant  
11 claiming an incentive under this section must first apply to  
12 the department by February 1 of each year for an allocation of  
13 the available incentive for the preceding calendar year. The  
14 department shall develop an application form. The application  
15 form shall, at a minimum, require a sworn affidavit from each  
16 retail dealer certifying the following information:

17       1. The name and principal address of the retail  
18 dealer.

19       2. The address of the retail dealer's retail motor  
20 fuel sites from which it sold biofuels during the preceding  
21 calendar year.

22       3. The total gallons of E10 ethanol sold through fuel  
23 dispensers.

24       4. The total gallons of E85 ethanol sold through fuel  
25 dispensers.

26       5. The total gallons of diesel blended fuel sold  
27 through fuel dispensers.

28       6. The total gallons of biodiesel sold through fuel  
29 dispensers.

30       7. Any other information deemed necessary by the  
31 department to adequately ensure that the incentive allowed

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1 under this section shall be made only to qualified Florida  
2 retail dealers.

3 (c) The department shall determine the amount of the  
4 incentive allowed under this section.

5 (4) If the amount of incentives applied for each year  
6 exceeds the amount appropriated, the department shall pay to  
7 each applicant a prorated amount based on each applicant's  
8 gallage of qualified biofuel sold and dispensed that is  
9 eligible for the incentive under this section.

10 (5) The department may adopt rules pursuant to ss.  
11 120.536(1) and 120.54 to implement and administer this  
12 section, including rules prescribing forms, the documentation  
13 needed to substantiate a claim for the incentive, and the  
14 specific procedures and guidelines for claiming the incentive.

15 Section 30. Section 570.959, Florida Statutes, is  
16 created to read:

17 570.959 Florida Biofuel Production Incentive  
18 Program.--

19 (1) The purpose of this section is to encourage the  
20 development and expansion of facilities that produce biofuels  
21 in this state from crops, agricultural waste and residues, and  
22 other biomass produced in Florida by providing economic  
23 incentives to do so.

24 (2) As used in this section, the term:

25 (a) "Biodiesel" means the mono-alkyl esters of  
26 long-chain fatty acids derived from plant or animal matter for  
27 use as a source of energy and meeting the specifications for  
28 biodiesel and biodiesel blended with petroleum products as  
29 adopted by the department.

30 (b) "Biofuel" means ethanol or biodiesel.

31 (c) "Ethanol" or "fuel ethanol" means an anhydrous



Barcode 563366

1 denatured alcohol produced by the conversion of carbohydrates  
2 and meeting the specifications for fuel ethanol adopted by the  
3 department.

4 (d) "Florida biofuel production" means production of  
5 biofuel in the state from crops, agricultural waste and  
6 residues, and other biomass produced in Florida.

7 (3) In order to be eligible for the incentive provided  
8 in this section, a producer must have registered and have met  
9 the requirements contained in chapter 206.

10 (4) An incentive, subject to appropriation, shall be  
11 paid to a producer based on Florida biofuel production as  
12 follows:

13 (a) The incentive shall be 5 cents for each gallon of  
14 unblended Florida biofuel produced, exclusive of denaturant,  
15 during a given calendar year and sold to an unrelated blender  
16 of biofuel.

17 (b) The incentive may be earned for production on or  
18 after January 1, 2008. Beginning in 2009, each producer  
19 claiming an incentive under this section must first apply to  
20 the department by February 1 of each year for an allocation of  
21 available incentives. The department shall develop an  
22 application form that shall, at a minimum, require a sworn  
23 affidavit from each producer certifying the production that  
24 forms the basis of the application and certifying that all  
25 information contained in the application is true and correct.

26 (c) The department shall determine whether or not such  
27 production is eligible for the incentive under this section.

28 (d) If the amount of incentives applied for each year  
29 exceeds the amount appropriated, the department shall pay to  
30 each applicant a prorated amount based on the percentage of  
31 biofuel produced that is eligible for the incentive under this

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1 section.

2       (5) The department may adopt rules pursuant to ss.  
3 120.536(1) and 120.54 to implement and administer this  
4 section, including rules prescribing forms, the documentation  
5 needed to substantiate a claim for the incentive, and the  
6 specific procedures and guidelines for claiming the incentive.

7  
8

9 ===== T I T L E    A M E N D M E N T =====

10 And the title is amended as follows:

11       On page 1, line 12, after the semicolon,

12

13 insert:

14       creating s. 570.956, F.S.; establishing the  
15       Farm-to-Fuel Advisory Council within the  
16       Department of Agriculture and Consumer  
17       Services; providing membership requirements;  
18       providing for council duties; creating s.  
19       570.957, F.S.; establishing the Farm-to-Fuel  
20       Grants Program within the Department of  
21       Agriculture and Consumer Services; providing  
22       definitions; specifying the use of renewable  
23       energy grants for projects relating to  
24       bioenergy; providing eligibility requirements;  
25       authorizing the department to adopt rules;  
26       providing criteria for grant award  
27       consideration; requiring the department to  
28       consult with the Department of Environmental  
29       Protection, the Office of Tourism, Trade, and  
30       Economic Development, and certain experts when  
31       evaluating applications; creating s. 570.958,

Bill No. CS for CS for CS for SB 996 and CS for SB 2666

Barcode 563366

1 F.S.; establishing the Biofuel Retail Sales  
2 Incentive Program; establishing goals for  
3 replacing petroleum consumption; providing  
4 definitions; providing incentive payments to  
5 qualified retail dealers for increases in the  
6 amount of biofuels offered for sale; providing  
7 requirements and procedures therefor; creating  
8 s. 570.959, F.S.; establishing the Florida  
9 Biofuel Production Incentive Program; providing  
10 definitions; providing incentive payments to  
11 producers of certain biofuels; providing  
12 requirements and procedures therefor;  
13 authorizing the Department of Agriculture and  
14 Consumer Services to adopt rules;

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31