

By Senator Constantine

22-00109-08

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1 A bill to be entitled

2 An act relating to the production of energy from biomass;  
3 creating s. 570.956, F.S.; establishing the Farm-to-Fuel  
4 Grants Program within the Department of Agriculture and  
5 Consumer Services; providing definitions; specifying the  
6 types of bioenergy projects to be funded by the program;  
7 providing eligibility requirements for sponsoring  
8 projects; authorizing the department to adopt rules;  
9 providing criteria for grant award consideration;  
10 requiring the department to consult with the Department of  
11 Environmental Protection, the Office of Tourism, Trade,  
12 and Economic Development, and certain experts when  
13 evaluating applications; creating s. 570.958, F.S.;  
14 establishing the Biofuel Retail Sales Incentive Program;  
15 establishing goals for replacing petroleum consumption;  
16 providing definitions; providing incentive payments to  
17 qualified retail dealers for increases in the amount of  
18 biofuels offered for sale; providing requirements and  
19 procedures therefor; authorizing rulemaking by the  
20 Department of Agriculture and Consumer Services; creating  
21 s. 570.959, F.S.; establishing the Florida Biofuel  
22 Production Incentive Program; providing definitions;  
23 providing incentive payments to producers of certain  
24 biofuels; providing requirements and procedures therefor;  
25 authorizing the Department of Agriculture and Consumer  
26 Services to adopt rules; providing an effective date.

27  
28 Be It Enacted by the Legislature of the State of Florida:  
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30 Section 1. Section 570.956, Florida Statutes, is created to  
31 read:

32 570.956 Farm-to-Fuel Grants Program.--

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

34 (a) "Bioenergy" means energy produced from organic matter  
35 that is available on a renewable or recurring basis, including  
36 crops and trees, agricultural food and feed crop residues, wood  
37 and wood wastes and residues, aquatic plants, grasses, animal  
38 wastes and residues, and other organic waste materials.

39 (b) "Department" means the Department of Agriculture and  
40 Consumer Services.

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

44 (2) The Farm-to-Fuel Grants Program is established within  
45 the department to provide matching grants for bioenergy projects.  
46 Such grants may be made for research, demonstration, or  
47 commercialization projects relating to the production of  
48 bioenergy or feedstocks used in bioenergy production.

49 (a) Matching grants for bioenergy demonstration,  
50 commercialization, research, and development projects may be made  
51 to any of the following:

52 1. Municipalities and county governments.

53 2. Established for-profit companies licensed to do business  
54 in the state.

55 3. Universities and colleges in the state.

56 4. Utilities located and operating within the state.

57 5. Not-for-profit organizations.

58 6. Other qualified persons, as determined by the Department

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59 of Agriculture and Consumer Services.

60 (b) The department may adopt rules to provide for  
61 allocation of grant funds by project type, application  
62 requirements, ranking of applications, and awarding of grants  
63 under this program.

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

66 1. The project produces bioenergy from Florida-grown crops  
67 or biomass.

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

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

72 4. The project has a reasonable assurance of enhancing the  
73 value of agricultural products or will expand agribusiness in the  
74 state.

75 5. Preliminary market and feasibility research has been  
76 conducted by the applicant or others and shows there is a  
77 reasonable assurance of a potential market.

78 6. The project stimulates in-state capital investment and  
79 economic development in metropolitan and rural areas, including  
80 the creation of jobs and the future development of a commercial  
81 market for bioenergy.

82 7. The project incorporates an innovative new technology or  
83 an innovative application of an existing technology.

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

87 (e) In determining the technical feasibility of grant

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88 applications, the department shall coordinate and actively  
89 consult with persons having expertise in renewable energy  
90 technologies.

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

94 Section 2. Section 570.958, Florida Statutes, is created to  
95 read:

96 570.958 Biofuel Retail Sales Incentive Program.--

97 (1) The purpose of this section is to encourage the retail  
98 sale of biofuels in this state and replace petroleum consumption  
99 in the state by the following percentages over the specified  
100 periods:

101 (a) Three percent from January 1, 2009, through December  
102 31, 2009.

103 (b) Five percent from January 1, 2010, through December 31,  
104 2010.

105 (c) Seven percent from January 1, 2011, through December  
106 31, 2011.

107 (d) Ten percent from January 1, 2012, through December 31,  
108 2012.

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

110 (a) "Biodiesel" means the mono-alkyl esters of long-chain  
111 fatty acids derived from plant or animal matter for use as a  
112 source of energy and meeting the specifications for biodiesel and  
113 biodiesel blended with petroleum products adopted by the  
114 department.

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

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117 (c) "Diesel blended fuel" means a fuel mixture containing  
118 10 percent or more biodiesel or renewable diesel fuel with the  
119 balance comprised of diesel fuel and meeting the specifications  
120 for diesel blends as adopted by the department.

121 (d) "E85 fuel ethanol" means ethanol blended with gasoline  
122 and formulated with a nominal percentage of 85 percent ethanol by  
123 volume and meeting the applicable fuel quality specifications as  
124 adopted by the department.

125 (e) "E10 motor fuel" means a motor fuel blend consisting of  
126 nominal percentages of 90 percent gasoline by volume and 10  
127 percent ethanol by volume and meeting the fuel quality  
128 specifications for gasoline as adopted by the department.

129 (f) "Ethanol or fuel ethanol" means an anhydrous denatured  
130 alcohol produced by the conversion of carbohydrates and meeting  
131 the specifications for fuel ethanol as adopted by the department.

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

135 (h) "Renewable diesel fuel" means a fuel that meets the  
136 registration requirements for fuels and fuel additives  
137 established by the Environmental Protection Agency in the Clean  
138 Air Act; is not a mono-alkyl ester; is intended for use in  
139 engines that are designed to run on conventional petroleum-  
140 derived diesel fuel; is derived from nonpetroleum renewable  
141 resources, including, but not limited to, vegetable oils, animal  
142 wastes, including fats and wastes materials from poultry and  
143 other animals, or municipal solid wastes, sludges, and oils  
144 derived from wastewater and the treatment of wastewater; and  
145 meets the specifications for diesel fuel as adopted by the

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146 department.

147 (i) "Retail dealer" means a person who is engaged in the  
148 business of selling fuel at retail at posted retail prices.

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

152 (3) (a) Subject to specific appropriation, a retail dealer  
153 who sells biofuel through fuel dispensers at retail motor fuel  
154 sites is entitled to an incentive payment of:

155 1. One cent for each gallon of E10 motor fuel sold through  
156 a fuel dispenser.

157 2. Five cents for each gallon of E85 fuel ethanol sold  
158 through a fuel dispenser.

159 3. One cent for each gallon of diesel blended fuel sold  
160 through a fuel dispenser.

161 4. Three cents for each gallon of biodiesel sold through a  
162 fuel dispenser.

163 (b) The incentive may be claimed for biofuel sold on or  
164 after January 1, 2009. Beginning in 2010, each applicant claiming  
165 an incentive under this section must first apply to the  
166 department by February 1 of each year for an allocation of the  
167 available incentive for the preceding calendar year. The  
168 department shall develop an application form. The application  
169 form shall, at a minimum, require a sworn affidavit from each  
170 retail dealer certifying:

171 1. The name and principal address of the retail dealer.

172 2. The address of the retail dealer's retail motor fuel  
173 sites from which it sold biofuels during the preceding calendar  
174 year.

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175 3. The total gallons of E10 ethanol sold through fuel  
176 dispensers.

177 4. The total gallons of E85 ethanol sold through fuel  
178 dispensers.

179 5. The total gallons of diesel blended fuel sold through  
180 fuel dispensers.

181 6. The total gallons of biodiesel sold through fuel  
182 dispensers.

183 7. Any other information the department considers is  
184 necessary to adequately ensure that the incentive allowed under  
185 this section is made only to qualified retail dealers in this  
186 state.

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

189 (4) If the amount of incentives applied for each year  
190 exceeds the amount appropriated, the department shall pay to each  
191 applicant a prorated amount based on the gallonage of biofuel  
192 sold and dispensed by each applicant which is eligible for the  
193 incentive under this section.

194 (5) The department may adopt rules pursuant to ss.  
195 120.536(1) and 120.54 to administer this section, including rules  
196 prescribing forms, the documentation needed to substantiate a  
197 claim for the incentive, and the specific procedures and  
198 guidelines for claiming the incentive.

199 Section 3. Section 570.959, Florida Statutes, is created to  
200 read:

201 570.959 Florida Biofuel Production Incentive Program.--

202 (1) The purpose of this section is to provide economic  
203 incentives that encourage the development and expansion of

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204 facilities that produce biofuels in this state from crops,  
205 agricultural waste and residues, and other biomass produced in  
206 this state.

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

208 (a) "Biodiesel" means the mono-alkyl esters of long-chain  
209 fatty acids derived from plant or animal matter for use as a  
210 source of energy and meeting the specifications for biodiesel and  
211 biodiesel blended with petroleum products as adopted by the  
212 department.

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

214 (c) "Ethanol" or "fuel ethanol" means an anhydrous  
215 denatured alcohol produced by the conversion of carbohydrates and  
216 meeting the specifications for fuel ethanol adopted by the  
217 department.

218 (d) "Florida biofuel production" means production of  
219 biofuel in this state from crops, agricultural waste and  
220 residues, and other biomass produced in this state.

221 (3) In order to be eligible for the incentive provided in  
222 this section, a person engaged in Florida biofuel production must  
223 have registered and have met the requirements in chapter 206.

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

226 (a) The incentive shall be 5 cents for each gallon of  
227 unblended Florida biofuel produced, exclusive of denaturant,  
228 during a given calendar year and sold to an unrelated blender of  
229 biofuel.

230 (b) The incentive may be earned for production on or after  
231 January 1, 2009. Beginning in 2010, each producer claiming an  
232 incentive under this section must first apply to the department



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233 by February 1 of each year for an allocation of available  
234 incentives. The department shall develop an application form  
235 that, at a minimum, requires a sworn affidavit from each producer  
236 certifying the production that forms the basis of the application  
237 and certifying that all information in the application is true  
238 and correct.

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

241 (d) If the amount of incentives applied for each year  
242 exceeds the amount appropriated, the department shall pay to each  
243 applicant a prorated amount based on the percentage of biofuel  
244 produced that is eligible for the incentive under this section.

245 (5) The department may adopt rules pursuant to ss.  
246 120.536(1) and 120.54 to administer this section, including rules  
247 prescribing forms, the documentation needed to substantiate a  
248 claim for the incentive, and the specific procedures and  
249 guidelines for claiming the incentive.

250 Section 4. This act shall take effect July 1, 2008.