

SECOND REGULAR SESSION

SENATE BILL NO. 945

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MUNZLINGER.

Read 1st time January 21, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

6084S.01I

AN ACT

To amend chapter 142, RSMo, by adding thereto one new section relating to economic subsidies for qualified gaseous biofuel producers.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 142, RSMo, is amended by adding thereto one new
2 section, to be known as section 142.041, to read as follows:

**142.041. 1. As used in this section, the following terms shall
2 mean:**

3 **(1) "BTU of gaseous biofuel", British thermal unit of measurement
4 to express the energy content of fuels;**

5 **(2) "Gaseous biofuel", methane-based fuel derived from bio-waste
6 material, including animal waste, animal processing waste, pre and
7 post-consumer food waste, vegetative waste material, cardboard, and
8 paper waste materials and similar materials that are produced through
9 an anaerobic digester process, with the exclusion of landfills, that is
10 injected into the natural gas pipeline grid for delivery to the market;**

11 **(3) "Gaseous biofuel certification", biofuel that meets
12 commercially-acceptable natural gas pipeline quality standards of the
13 local market, that the flow meters used to determine the quantity of
14 gaseous biofuel produced are industry standard and properly
15 calibrated by a third-party professional engineer, and the readings
16 have been taken by a qualified individual;**

17 **(4) "MMBTU of gaseous biofuel", one million British thermal
18 units;**

19 **(5) "Missouri qualified gaseous biofuel producer", any producer
20 of gaseous biofuel whose principal place of business and facility for the
21 anaerobic digester and biofuel upgrading is located within the state of**

22 Missouri and is registered with the United States Environmental
23 Protection Agency according to the requirements of 40 CFR 79 and
24 which has made formal application, and conforms to the requirements
25 of this section, and:

26 (a) Has registered with the department of agriculture by March
27 31, 2018;

28 (b) Has begun construction of the facility before July 31, 2018;
29 and

30 (c) Has begun production of gaseous biofuel before December 31,
31 2018.

32 2. There is hereby created the "Missouri Qualified Gaseous
33 Biofuel Producer Incentive Fund" that shall be used to provide
34 economic subsidies to Missouri qualified gaseous biofuel
35 producers. Upon appropriation, the director of the department of
36 agriculture shall administer the fund. Notwithstanding the provisions
37 of section 33.080 to the contrary, any moneys remaining in the fund at
38 the end of the biennium shall not revert to the credit of the general
39 revenue fund. The state treasurer shall invest moneys in the fund in
40 the same manner as other funds are invested. Any interest and moneys
41 earned on such investments shall be credited to the fund.

42 3. A Missouri qualified gaseous biofuel shall be eligible for a
43 monthly grant from the fund provided that one hundred percent of the
44 feedstock originates in the United States. However, the director may
45 waive the feedstock requirements on an annual basis if the facility
46 provides verification that adequate feedstock is not available. A
47 Missouri qualified gaseous biofuel producer shall only be eligible for
48 the grant for a total of sixty months unless such producers during the
49 sixty months fail, due to a lack of appropriations, to receive the full
50 amount from the fund for which the producers were eligible, in which
51 case such producers shall continue to be eligible until they have
52 received the maximum amount of funding for which such producers
53 were eligible during the original sixty-month time period. The amount
54 of the grant is determined by calculating the estimated BTU of
55 qualified gaseous biofuel produced during the preceding month from
56 feedstock, as certified by the department of agriculture, and applying
57 such figure to the per-BTU incentive credit established in this
58 subsection. Each Missouri qualified gaseous biofuel producer shall be

59 eligible for a total grant in any fiscal year equal to two thousand three
60 hundred forty-four billionths of one dollar per BTU for the first two
61 million two hundred fifty thousand MMBTU of qualified gaseous biofuel
62 produced from feedstock in the fiscal year. All such qualified gaseous
63 biofuel produced by a Missouri qualified gaseous biofuel producer in
64 excess of two million two hundred fifty thousand MMBTU shall not be
65 applied to the computation of a grant pursuant to this subsection. The
66 department of agriculture shall pay all grants for a particular month
67 by the fifteenth day after receipt and approval of the application
68 described in subsection 4 of this section.

69 4. In order for a Missouri qualified gaseous biofuel producer to
70 obtain a grant from the fund, an application for such funds shall be
71 received no later than fifteen days following the last day of the month
72 for which the grant is sought. The application shall include:

73 (1) The location of the Missouri qualified gaseous biofuel
74 producer;

75 (2) The average number of citizens of Missouri employed by the
76 Missouri qualified gaseous biofuel producer in the preceding month, if
77 applicable;

78 (3) The number of ton equivalents of Missouri feedstock and out-
79 of-state feedstock used by the Missouri qualified gaseous biofuel
80 producer in the production of gaseous biofuel in the preceding month;

81 (4) The number of BTU of qualified gaseous biofuel the producer
82 manufactures during the month for which the grant is applied;

83 (5) Any other information deemed necessary by the department
84 of agriculture to adequately ensure that such grants shall be made only
85 to Missouri qualified gaseous biofuel producers.

86 5. The director of the department of agriculture, in consultation
87 with the department of revenue, shall promulgate rules and regulations
88 necessary for the administration of the provisions of this section. Any
89 rule or portion of a rule, as that term is defined in section 536.010 that
90 is created under the authority delegated in this section shall become
91 effective only if it complies with and is subject to all of the provisions
92 of chapter 536, and, if applicable, section 536.028. This section and
93 chapter 536 are nonseverable and if any of the powers vested with the
94 general assembly pursuant to chapter 536, to review, to delay the
95 effective date, or to disapprove and annul a rule are subsequently held

96 unconstitutional, then the grant of rulemaking authority and any rule
97 proposed or adopted after August 28, 2016, shall be invalid and void.

98 6. This section shall expire on December 31, 2018. However,
99 Missouri qualified gaseous biofuel producers receiving any grants
100 awarded prior to July 31, 2018, shall continue to be eligible for the
101 remainder of the original sixty-month time period under the same
102 terms and conditions of this section unless such producer during such
103 sixty months failed, due to a lack of appropriations, to receive the full
104 amount from the fund for which he or she was eligible. In such case,
105 such producers shall continue to be eligible until they have received
106 the maximum amount of funding for which they were eligible during
107 the original sixty-month time period.

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Bill

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