



S.B. 28

127th General Assembly
(As Introduced)

Sen. Kearney

BILL SUMMARY

- Requires the Director of Development to establish an Ethanol and Biodiesel Producer Grant Program.
- Requires the Director, in consultation with the Director of Agriculture, to adopt rules to administer the program.
- Creates the Ethanol and Biodiesel Producer Grant Fund in the state treasury.

CONTENT AND OPERATION

Ethanol and Biodiesel Producer Grant Program

Establishment of program

The bill requires the Director of Development to establish an Ethanol and Biodiesel Producer Grant Program.¹ Under the program, the Director can make

¹ Under the bill:

--"Ethanol" means fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal, grains, cheese whey, and sugar beets; forest products; or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources that meet all of the specifications in the American Society for Testing and Materials (ASTM) specification D4806-88 and is denatured as specified in 27 C.F.R § 20.1 to 21.161.

--"Biodiesel" means a mono-alkyl ester combustible liquid fuel that is derived from vegetable oils or animal fats, or any combination of those reagents, and that meets ASTM specification D6751-03a for biodiesel fuel (B100) blend stock distillate fuels.

grants to persons who operate ethanol or biodiesel plants in Ohio to assist in expanding production capacity, making facility improvements, and improving competitiveness.

Rules

The Director, in consultation with the Director of Agriculture, must adopt rules in accordance with the Administrative Procedure Act that are necessary to administer the program and that must establish at least the following:

- (1) An application form and procedures governing the application process for a program grant;
- (2) A procedure for prioritizing the awarding of program grants;
- (3) Procedures for registering producers that have applied for a program grant; and
- (4) Any other criteria, procedures, and guidelines that the Director determines are necessary to administer the program.

Eligibility

To be eligible for a program grant, the bill requires a producer to apply to the Director of Development for a plant registration and allows a producer to apply for the registration of more than one plant. The Director must register a plant if an application demonstrates to the Director's satisfaction that: (1) the plant is capable of producing ethanol or biodiesel, (2) the producer has made substantial investment of resources in the state in connection with the plant, and (3) the plant constitutes a permanent fixture in the state.

Ethanol and Biodiesel Producer Grant Fund

The bill creates in the state treasury the Ethanol and Biodiesel Producer Grant Fund to consist of money that is appropriated to it by the General Assembly. Money in the fund must be used by the Director to make program grants and to administer the program.

HISTORY

| ACTION | DATE |
|------------|----------|
| Introduced | 02-20-07 |

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