

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS25068-LY-156 (3/8)

Short Title: Biodiesel Incentive Fund. (Public)

Sponsors: Senator Snow.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A BIODIESEL INCENTIVE FUND.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Chapter 106 of the General Statutes is amended by adding a
5 new Article to read:

6 "Article 70.

7 "Biodiesel Incentive Fund.

8 **"§ 106-830. Biodiesel Incentive Fund established.**

9 (a) Establishment. – The Biodiesel Incentive Fund is established as a special
10 revenue fund in the Department of Agriculture and Consumer Services.

11 (b) Purposes. – Moneys in the Biodiesel Incentive Fund may only be allocated
12 pursuant to this subsection. Moneys may be allocated to biodiesel producers to
13 encourage the development of biodiesel in this State from feedstock sources in this
14 State. The Commissioner of Agriculture shall make discretionary grants from the Fund
15 based on applications received and evaluated by the Commissioner.

16 **"§ 106-831. Applications.**

17 (a) Producers of biodiesel may make applications to the Commissioner of
18 Agriculture for grants from the Biodiesel Incentive Fund. Applications must be under
19 oath and in a form prescribed by the Commissioner. Applications must contain at least
20 the following information:

21 (1) The name of the owners of the biodiesel producer.

22 (2) The location of the biodiesel producer.

23 (3) The number of people employed in this State by the biodiesel
24 producer.

25 (4) The amount of North Carolina agricultural products or North Carolina
26 waste products used by the producer in the production of biodiesel in

1 Services. The Division shall consist of a Director and other staff as deemed necessary
2 by the Director and the Commissioner of Agriculture. The Director and other staff shall
3 devote their full time to their official duties. The staff and Director of the Division shall
4 be employees of the State of North Carolina.

5 (b) Purposes. – The purpose of the Division is to consolidate and bring into one
6 Division and Department the administration and discharge of the legal, technical, and
7 other requirements necessary for a current or prospective biofuel producer in North
8 Carolina to start and continue operations. The power and duties of this office include
9 but are not be limited to:

- 10 (1) Licensing and permitting of biofuel producers for all biofuels and their
11 components with the exception of the petroleum used in blends.
- 12 (2) Acting as an advocate for biofuels development through the relevant
13 agencies that have regulatory authority for biofuels.
- 14 (3) Ensuring ASTM and other applicable quality standards are enforced
15 and met by producers.
- 16 (4) Coordinating regulatory proposals for the benefit and development of
17 the biofuels industry.
- 18 (5) Developing applications and other permits that will speed and ease the
19 application process for local and small producers of biofuels.
- 20 (6) Regulating the biofuels industry in North Carolina.
- 21 (7) Completing other tasks as deemed relevant by the Commissioner for
22 the purpose of expanding the use of biofuels and the biofuel industry
23 in North Carolina."

24 **SECTION 3.** There is appropriated from the General Fund to the Biodiesel
25 Incentive Fund, created under Section 1 of this act, the sum of one million dollars
26 (\$1,000,000) for the 2007-2008 fiscal year and the sum of two million dollars
27 (\$2,000,000) for the 2008-2009 fiscal year.

28 **SECTION 4.** There is appropriated from the General Fund to the Division of
29 Biofuels Production and Development of the Department of Agriculture and Consumer
30 Services, created pursuant to Section 2 of this act, the sum of ten million dollars
31 (\$10,000,000) for each year of the 2007-2009 fiscal biennium.

32 **SECTION 5.** This act becomes effective July 1, 2007.