

1 HB80  
2 116494-4  
3 By Representative Graham  
4 RFD: Government Appropriations  
5 First Read: 12-JAN-10  
6 PFD: 01/06/2010

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

ENROLLED, An Act,

To establish the Alabama Public Interest Energy Research and Development Grants Program to provide funding for energy related public interest energy research and development; to create a new executive agency to be known as the Commission on Public Interest Energy Research and Development Grants which will have sole discretion to distribute appropriations by the Legislature and other funds allocated for public interest energy research and development grants; to establish the Public Interest Energy Research and Development Grants Fund within the State Treasury; and to make an appropriation from the State General Fund to the fund for the fiscal year ending September 30, 2010, and also for the fiscal year ending September 30, 2011.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. The Legislature hereby finds and declares all of the following:

(1) It is in the best interest of the people of the state and the quality of life of its citizens will be improved by providing environmentally sound, safe, reliable, and affordable energy services and products.

(2) To improve the quality of life of the state's citizens, it is proper and appropriate for the state to develop a sustained program of public interest energy research

1 and development for projects that are not adequately provided  
2 for by competitive and regulated energy markets.

3 (3) Public interest energy research and development  
4 projects should advance energy science and technologies of  
5 value to Alabama's citizens and take advantage of Alabama's  
6 unique portfolio of energy resources, including fossil fuel  
7 and bioenergy resources.

8 Section 2. (a) The Public Interest Energy Research  
9 and Development Grants Program is hereby created. The program  
10 shall include a full range of research and development  
11 activities that are not adequately provided for in the  
12 competitive and regulated markets. The Commission on Public  
13 Interest Energy Research and Development Grants established in  
14 Section 3 of this act shall administer the program.

15 (b) The general goals of this program are to  
16 develop, and help bring to market, technologies that enhance  
17 Alabama's unique portfolio of energy resources and potential  
18 energy sources, particularly the significant fossil fuel and  
19 bioenergy resources of the state; provide increased  
20 environmental benefits; increase energy reliability in times  
21 of crisis; and lower energy costs.

22 (c) To achieve the goals established in subdivision  
23 (b), the Commission on Public Interest Energy Research and  
24 Development Grants shall adopt a portfolio approach for the  
25 program that does all of the following:

1           (1) Effectively balances the risks, benefits, and  
2 time horizons for various activities and investments that will  
3 provide benefits for Alabama citizens.

4           (2) Emphasizes innovative fossil fuel and bioenergy  
5 supply and end use technologies, focusing on their  
6 reliability, affordability, and environmental attributes.

7           (3) Includes projects that have the potential to  
8 enhance the production, reliability, storage, and distribution  
9 capabilities of current energy sources as well as potential  
10 fossil fuel and bioenergy sources.

11           (4) Accelerates knowledge transfer and technological  
12 innovations.

13           (5) Demonstrates a balance between short-term,  
14 mid-term, and long-term potential.

15           (6) Ensures that prior, current, and future research  
16 not be unnecessarily duplicated.

17           (7) Provides for the future market utilization of  
18 projects funded through the program.

19           (8) Stimulates growth-oriented fossil fuel and  
20 bioenergy enterprises within the state.

21           (9) Ensures an open project selection process and  
22 encourages the awarding of research funding for a diverse type  
23 of research as well as a diverse award recipient base and  
24 equally considers research proposals from the public and  
25 private sectors.

1           (10) Encourages partnerships and collaborative  
2 projects between private enterprises, Alabama's universities,  
3 and research organizations in fossil fuels and bioenergy.

4           (11) Coordinates with other research programs.

5           (d) To ensure the efficient implementation and  
6 administration of the program, the Commission on Public  
7 Interest Energy Research and Development Grants shall do both  
8 of the following:

9           (1) Develop procedures for the solicitation of grant  
10 applications for projects or program funding and to ensure  
11 efficient program management.

12           (2) Evaluate and select programs and projects, based  
13 on merit, that will be funded under the program.

14           Section 3. (a) There is hereby created the  
15 Commission on Public Interest Energy Research and Development  
16 Grants, hereinafter referred to as the commission, which shall  
17 be a grant-making agency to receive and, by majority vote of  
18 the membership or of those voting, to distribute any funds  
19 available in the Public Interest Energy Research and  
20 Development Grant Fund established in Section 4 of this act.  
21 The commission shall consist of the State Oil and Gas  
22 Supervisor, the State Climatologist, the Lieutenant Governor,  
23 the Chair of the House Government Appropriations Committee,  
24 the Chair of the Senate Committee on Finance and Taxation  
25 General Fund, the Director of the Department of Economic and

1 Community Affairs, the President of the Public Service  
2 Commission, The Chair of the Permanent Oil and Gas Study  
3 Committee, and the Commissioner of Agriculture and Industries.  
4 The Lieutenant Governor, the President of the Public Service  
5 Commission, and the Commissioner of Agriculture and Industries  
6 shall each appoint a member to the commission. The membership  
7 of the commission shall be inclusive and reflect the racial,  
8 gender, geographic, urban/rural, and economic diversity of the  
9 state. The commission shall annually report to the Legislature  
10 by the second legislative day of each regular session to what  
11 extent the commission has complied with the diversity  
12 provisions in this act. The chair of the commission shall be  
13 the Lieutenant Governor, who shall vote only in the case of a  
14 tie. The commission shall elect a secretary who shall be  
15 responsible for and maintain all documents related to the  
16 commission. The commission shall meet at least twice each  
17 quarter or until all grant funds have been awarded for each  
18 fiscal year. The commission members shall serve without  
19 compensation but the commission shall receive funds and/or  
20 staffing for administrative support from the Legislature.

21 (b) It shall be the duty of the Permanent Joint  
22 Legislative Committee on Energy Policy to review applications  
23 and recommend to the commission for approval any public  
24 interest energy research and development grants made from  
25 funds available in the Public Interest Energy Research and

1 Development Grants Fund established in Section 4 of this act.  
2 The committee shall evaluate grant proposals based on the  
3 relevance of such proposals to the purposes for which such  
4 grants shall be made; the extent to which such grant proposal  
5 advances the program objectives; the ability of the grant  
6 recipient to fulfill the objectives of the grant proposal; and  
7 the extent to which the grant proposal can benefit the  
8 greatest number of citizens. The committee shall act in an  
9 advisory role only. All grants recommended for approval or  
10 rejection by the committee shall be forwarded to the  
11 Commission on Public Interest Energy Research and Development  
12 Grants which shall review each grant for compliance with the  
13 criteria listed herein and shall approve or disapprove each  
14 grant. The commission shall have absolute discretion to award  
15 or reject any grant. The commission shall report to the  
16 committee within 14 days after any meeting all actions taken.

17 (c) The commission shall prepare and submit to the  
18 Legislature, not later than March 31 of each year, a report on  
19 grants made pursuant to this act and progress toward achieving  
20 the goals set forth for the program. The report shall include  
21 information on the names of the recipients, the amount of  
22 awards, the types of projects funded, an evaluation of the  
23 success of previously funded projects, and recommendations for  
24 improvements in the program.

1           Section 4. (a) There is hereby created in the State  
2 Treasury a fund to be known as the Public Interest Energy  
3 Research and Development Grants Fund. The fund may receive  
4 state appropriations, gifts, grants, federal funds, and any  
5 other funds both private and public. The fund shall be kept  
6 separate and apart from all other moneys in the treasury and  
7 shall be used for the purposes set forth in this act only by  
8 warrant of the Comptroller upon the State Treasurer, upon  
9 itemized vouchers, approved by the chair of the Commission on  
10 Public Interest Energy Research and Development Grants. No  
11 funds may be withdrawn or expended except as budgeted and  
12 allotted according to Article 4 of Chapter 4 of Title 41, Code  
13 of Alabama 1975. The unobligated balance of the fund shall be  
14 invested by the State Treasurer for the benefit of the fund.  
15 Any interest earnings on the fund shall be credited only to  
16 the fund. Any unallocated appropriations made by the  
17 Legislature to the fund shall not revert at the end of any  
18 state fiscal year, but shall remain available for expenditure  
19 in subsequent fiscal years.

20           (b) There is hereby ~~conditionally~~ appropriated the  
21 amount of one hundred thousand dollars (\$100,000) from the  
22 State General Fund to the Public Interest Energy Research and  
23 Development Grants Fund for the fiscal year ending September  
24 30, 2010, and also for the fiscal year ending September 30,  
25 2011, to be used to provide funding for the Public Interest



1 Energy Research and Development Grants Program as established  
2 by this act.

3 ~~The above appropriations are conditional upon funds~~  
4 ~~being available in the State General Fund, the recommendation~~  
5 ~~of the Finance Director, and the approval of the Governor.~~

6 Section 5. All laws or parts of laws which conflict  
7 with this act are repealed.

8 Section 6. This act shall become effective  
9 immediately upon its passage and approval by the Governor, or  
10 its otherwise becoming law.

1

2

3

4

\_\_\_\_\_  
Speaker of the House of Representatives

5

6

\_\_\_\_\_  
President and Presiding Officer of the Senate

7

House of Representatives

8

I hereby certify that the within Act originated in  
9 and was passed by the House 19-JAN-10, as amended.

10

11

Greg Pappas  
Clerk

12

13

14

15

Senate

\_\_\_\_\_  
08-APR-10

Amended and Passed

16

House

\_\_\_\_\_  
08-APR-10

Concurred in Sen-  
ate Amendment

17