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LC00068

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES - CLEAN ENERGY BIOFUELS

Introduced By: Representatives Naughton, and Walsh

Date Introduced: February 16, 2011

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 31-36 of the General Laws entitled "Motor Fuel Tax" is hereby
2 amended by adding thereto the following section:

3 CHAPTER 37.3

4 PROMOTION OF BIOFUELS ACT OF 2011

5 **31-37.3-1. Short title.** -- This chapter shall be known and may be cited as the "Promotion
6 of Biofuels Act of 2011."

7 **31-37.3-2. Biofuels study commission established.** -- (a) Membership. There is hereby
8 established a special study commission to study the feasibility and effectiveness of various forms
9 of incentives to promote the development and use of advanced biofuels in the state including, but
10 not limited to: production credits, the production and harvesting of woody biomass or woody
11 residue, feedstock incentives, and direct consumer credits for the use of advanced biofuels in
12 various applications. Said commission shall be known as the Biofuels Study Commission and
13 shall be comprised of fifteen (15) members: five (5) of whom shall be members of the house of
14 representatives, not more than four (4) from the same political party, to be appointed by the
15 speaker of the house of representatives; three (3) of whom shall be members of the senate, not
16 more than two (2) from the same political party, to be appointed by the senate president; one of
17 whom shall be the director of the department of environmental management, or his or her
18 designee; one of whom shall be employed by an independent organization in the field of the
19 environment and fuels, to be appointed by the speaker of the house; one of whom shall be the

1 director of the office of energy resources, or his or her designee; three (3) of whom shall be
2 employed by companies that work in and/or who themselves work in the field of advanced
3 biofuels, to be appointed by the speaker of the house of representatives; and one of whom shall be
4 from the University of Rhode Island cooperative extension, to be appointed by the speaker of the
5 house of representatives.

6 (b) Purpose. The purpose of the commission shall be to investigate and develop a strategy
7 to increase the use of advanced biofuels as alternatives to conventional carbon-based fuels by the
8 state, its agencies and political subdivisions and regional transit authorities, and also to promote
9 the use of such fuels in all sectors of the state, both private and public. In conducting its
10 investigation and study, the commission shall consider biofuel incentive programs in other states
11 and the states' relative competitiveness in the field.

12 (c) Information furnished. All departments and agencies of the state shall furnish any
13 advice and information, documentary and otherwise, to the commission and its agents that is
14 deemed necessary or desirable by the commission to facilitate the purposes of this chapter.

15 (d) The commission shall report to the general assembly on the results of its
16 investigations and study and its recommendations, if any, on or before March 21, 2011, and at
17 least every two (2) years thereafter on its continued findings and the results of its studies, and
18 shall make such recommendations to the general assembly as it deems advisable.

19 **31-37.3-3. Further study purposes of biofuels study commission.** -- (a) The biofuels
20 study commission established pursuant to the provisions of this chapter shall explore the
21 possibility of developing and entering into, to the extent possible, an agreement among those
22 states participating in the Regional Greenhouse Gas Initiative, for the purpose of implementing a
23 low carbon fuel standard (hereinafter referred to as "LCFS"), for transportation fuels. Provided,
24 the commission is not authorized to, nor shall the commission enter into any form of agreement,
25 contract, compact, memorandum of understanding, or similar document or arrangement.

26 (b) By way of guidance, in developing proposed agreements, such agreements should
27 seek to provide for the following, when reasonably possible:

- 28 (1) That LCFS shall be measured on a full fuels lifecycle basis;
- 29 (2) That LCFS may be met through market-based methods by which providers exceeding
30 the performance required by an LCFS shall receive credits that may be applied to future
31 obligations or traded to providers not meeting the LCFS;
- 32 (3) That agreement shall establish a declining standard for greenhouse gas emissions
33 measured in CO₂-equivalent grams per unit of fuel energy sold, sufficient to achieve a ten percent
34 (10%) reduction in the carbon content of all passenger vehicle fuels sold in participating states;

1 and

2 (4) That the state shall, with the other states participating in the agreement, examine the
3 regulations and implementation of a low carbon fuel standard in California and other states and
4 consider ways to coordinate and issue public findings on both such matters, and if applicable, use
5 in the agreement the life-cycle analysis methods employed by the California Air Resources Board
6 to determine the carbon intensity of fuel. The state shall, with other states, adopt life-cycle
7 emissions accounting standards that are consistent with the EPA's recently revised regulations for
8 the federal renewable fuel standard.

9 **31-37.3-4. Biofuels as alternatives to carbon-based fuels.--** (a) In addition to the
10 preceding provisions of this chapter, the biofuels study commission shall investigate and develop
11 a strategy to increase the use of advanced biofuels as alternatives to conventional carbon-based
12 fuels by the state, its agencies and political subdivisions and regional transit authorities.

13 (b) The commission shall develop strategies to increase the use of advanced biofuels by
14 the state, its agencies and political subdivisions and regional transit authorities and methods to
15 advance those strategies. Methods to be considered shall include, but not be limited to: financing
16 mechanisms including grants, loans and other incentive programs for group procurement of
17 advanced biofuels, vehicles using advanced biofuels and distribution infrastructure and technical
18 assistance.

19 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 The act would establish a study commission to investigate the use and promotion of such
2 fuels within the state.

3 This act would take effect upon passage.

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