

1 HB518
2 138448-4
3 By Representative Wren
4 RFD: Agriculture and Forestry
5 First Read: 14-MAR-12

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ENROLLED, An Act,

To establish the Alabama Public Interest Energy and Fuel Research and Development Grants Program to provide funding for energy and fuel related public interest energy research and development; to provide that the program is established within the Department of Agriculture and Industries Center for Alternative Fuels; to provide that the Commissioner of Agriculture and Industries shall evaluate and distribute appropriations by the Legislature and other funds allocated for public interest energy and fuel research and development grants based on advisory commission input; to establish the Public Interest Energy and Fuel Research and Development Grants Fund within the State Treasury; to create the Advisory Commission on Public Interest Energy and Fuel Research and Development Grants; and to make an appropriation from the State General Fund to the fund for the fiscal year ending September 30, 2012, and also for the fiscal year ending September 30, 2013.

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

1 by providing environmentally sound, safe, reliable, and
2 affordable energy and alternative fuel services and products.

3 (2) To improve the quality of life of the state's
4 citizens, it is proper and appropriate for the state to
5 develop a sustained program of public interest energy and
6 alternative fuel research and development for projects that
7 are not adequately provided for by competitive and regulated
8 energy markets.

9 (3) Public interest energy and fuel research and
10 development projects would advance energy science and
11 technologies of value to Alabama's citizens and take advantage
12 of Alabama's unique portfolio of energy and fuel resources,
13 including fossil fuel, alternative fuel, and bioenergy
14 resources.

15 Section 2. (a) The Public Interest Energy and Fuel
16 Research and Development Grants Program is hereby created. The
17 program shall be implemented and administrated by the
18 Commissioner of Agriculture and Industries through the
19 Department of Agriculture and Industries Center for
20 Alternative Fuels. The program shall include a full range of
21 energy and alternative fuel research and development
22 activities that are not adequately provided for in the
23 competitive and regulated markets. The Advisory Commission on
24 Public Interest Energy and Fuel Research and Development
25 Grants established in Section 3 of this act shall advise the

1 commissioner regarding the operation of the program, and make
2 specific recommendations regarding the awarding of grants and
3 funds for projects in the program.

4 (b) The general goals of this program are to develop
5 and help bring to market technologies that enhance Alabama's
6 unique portfolio of energy and fuel resources and potential
7 energy and fuel sources, particularly the significant fossil
8 fuel, alternative fuel, and bioenergy resources of the state;
9 provide increased environmental benefits; increase energy and
10 fuel reliability in times of crisis; and lower energy and fuel
11 costs.

12 (c) In order to achieve program goals, the
13 commissioner shall adopt a portfolio approach for the program
14 that does all of the following:

15 (1) Effectively balances the risks, benefits, and
16 time horizons for various activities and investments that will
17 provide benefits for Alabama citizens, based on advisory
18 commission input.

19 (2) Emphasizes innovative fossil fuel, alternative
20 fuel, and bioenergy supply and end use technologies, focusing
21 on their reliability, affordability, and environmental
22 attributes.

23 (3) Includes projects that have the potential to
24 enhance the production, reliability, storage, and distribution
25 capabilities of current energy and fuel sources as well as

1 potential fossil fuel, alternative fuel, and bioenergy
2 sources.

3 (4) Accelerates knowledge transfer and technological
4 innovations.

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

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

9 (7) Provides for the future market utilization of
10 projects funded through the program.

11 (8) Stimulates growth-oriented fossil fuel,
12 alternative fuel, and bioenergy enterprises within the state.

13 (9) Ensures an open project selection process based
14 on commission advisory recommendations and encourages the
15 awarding of research funding for a diverse type of research as
16 well as a diverse award recipient base and equally considers
17 research proposals from the public and private sectors.

18 (10) Encourages partnerships and collaborative
19 projects between private enterprises, Alabama's universities,
20 and research organizations in fossil fuels and bioenergy.

21 (11) Coordinates with other research programs.

22 (d) To ensure the efficient implementation and
23 administration of the program, the commissioner shall do the
24 following:

1 (1) Develop procedures for the solicitation of grant
2 applications for projects or program funding and ensure
3 efficient program management.

4 (2) Evaluate programs and projects, based on merit,
5 and advisory commission input that will be funded under the
6 program.

7 Section 3. (a) There is hereby created the Advisory
8 Commission on Public Interest Energy and Fuel Research and
9 Development Grants, hereinafter referred to as the advisory
10 commission, which shall advise the commissioner regarding the
11 distribution of any funds available in the Public Interest
12 Energy and Fuel Research and Development Grant Fund
13 established in Section 5 of this act. The advisory commission
14 shall be composed of the following members:

15 (1) The Chair of the Permanent Joint Legislative
16 Committee on Energy Policy, who shall serve as chair.

17 (2) The Lieutenant Governor or his or her designee.

18 (3) The Speaker of the House of Representatives or
19 his or her designee.

20 (4) The President of the Public Service Commission.

21 (5) The Commissioner of Agriculture and Industries.

22 (6) The President Pro Tempore of the Senate or his
23 or her designee.

24 ~~(6)~~ (7) One member appointed by the Senate Black
25 Caucus.

1 ~~(7)~~ (8) One member appointed by the House of
2 Representatives Black Caucus.

3 (9) The Governor or his or her designee.

4 (b) In addition to the members provided in
5 subsection (a), the Governor, the Lieutenant Governor, the
6 President of the Public Service Commission, and the
7 Commissioner of Agriculture and Industries shall each appoint
8 a member to the committee who is not a member of the
9 Legislature.

10 (c) The membership of the committee shall be
11 inclusive and reflect the racial, gender, geographic,
12 urban/rural, and economic diversity of the state.

13 (d) The advisory commission shall meet at least once
14 each quarter.

15 (e) Members of the advisory commission may
16 participate in a meeting by means of conference telephone,
17 video conference, or similar communications equipment by means
18 of which all persons participating in the meeting may hear
19 each other at the same time. Participation by such means shall
20 constitute presence in person at a meeting for all purposes,
21 including the establishment of a quorum. Telephone or video
22 conference or similar communications equipment shall also
23 allow members of the public the opportunity to simultaneously
24 listen to or observe the meetings.

1 (f) The advisory committee members shall serve
2 without compensation.

3 Section 4. (a) The commissioner through the Center
4 for Alternative Fuels shall evaluate grant proposals based on
5 the relevance of such proposals to the purposes for which such
6 grants shall be made; the extent to which such grant proposal
7 advances the program objectives; the ability of the grant
8 recipient to fulfill the objectives of the grant proposal; and
9 the extent to which the grant proposal can benefit the
10 greatest number of citizens. The commissioner shall consider
11 only those grant proposals which receive the support of a
12 majority of advisory commission members present and voting.

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

21 Section 5. (a) There is hereby created in the State
22 Treasury for administration by the Department of Agriculture
23 and Industries Center for Alternative Fuels a fund to be known
24 as the Public Interest Energy and Fuel Research and
25 Development Grants Fund. The fund may receive state

1 appropriations, gifts, grants, federal funds, and any other
2 private and public funding. The fund shall be kept separate
3 and apart from all other moneys in the Treasury and shall be
4 used for the purposes set forth in this act only by warrant of
5 the Comptroller upon the State Treasurer, upon itemized
6 vouchers, approved by the Commissioner of Agriculture and
7 Industries. The commissioner shall expend and deduct from the
8 fund 20 percent of those amounts used for the operation of the
9 center and the program pursuant to this act. No funds may be
10 withdrawn or expended except as budgeted and allotted
11 according to Article 4 of Chapter 4 of Title 41, Code of
12 Alabama 1975. The unobligated balance of the fund shall be
13 invested by the State Treasurer for the benefit of the fund.
14 Any interest earnings on the fund shall be credited only to
15 the fund. Any unallocated appropriations made by the
16 Legislature to the fund shall not revert at the end of any
17 state fiscal year, but shall remain available for expenditure
18 in subsequent fiscal years.

19 (b) There is hereby appropriated the amount of
20 twenty thousand dollars (\$20,000) from the State General Fund
21 to the Public Interest Energy Research and Development Grants
22 Fund for the fiscal year ending September 30, 2012, and also
23 for the fiscal year ending September 30, 2013, to be used to
24 provide funding for the Public Interest Energy Research and
25 Development Grants Program as established by this act.

1 Section 6. All laws or parts of laws which conflict
2 with this act are repealed.

3 Section 7. This act shall become effective
4 immediately upon its passage and approval by the Governor, or
5 its otherwise becoming law.

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 12-APR-12 and was passed again as amended by Executive Amendment 16-MAY-12, Yeas 95, Nays 1.

Greg Pappas
Clerk

Senate	<hr/> 02-MAY-12 <hr/>	Passed
Senate	16-MAY-12	Passed, as amended by Executive Amendment
	<hr/>	Yeas 25, Nays 0, Ab- stains 0