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       By:
             Estes
                                                                        S.B. No. 1666
       (In the Senate - Filed March 10, 2009; March 20, 2009, read first time and referred to Committee on Agriculture and Rural Affairs; April 20, 2009, reported adversely, with favorable Committee Substitute by the following vote: Yeas 5, Nays 0;
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       April 20, 2009, sent to printer.)
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       COMMITTEE SUBSTITUTE FOR S.B. No. 1666
                                                                           By:
                                                                                  Hegar
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                                   A BILL TO BE ENTITLED
                                            AN ACT
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       relating to the establishment of the Texas Bioenergy Policy Council
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       and the Texas Bioenergy Research Committee.
               BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
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               SECTION 1. Title 3, Agriculture Code, is amended by adding
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       Chapter 50D to read as follows:
         CHAPTER 50D. TEXAS BIOENERGY POLICY COUNCIL AND TEXAS BIOENERGY
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                                    RESEARCH COMMITTEE
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                            SUBCHAPTER A. GENERAL PROVISIONS
       Sec. 50D.001. PURPOSE. The purpose of the Texas Bioenergy Policy Council and the Texas Bioenergy Research Committee is to promote the goal of making biofuels a significant part of the energy
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       industry in this state not later than January 1, 2019.
              Sec. 50D.002. DEFINITIONS. In this chapter:
(1) "Policy council" means the Texas Bioenergy Policy
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       Council.
                           "Research committee" means the Texas Bioenergy
                     (2)
       Research Committee.
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               Sec. 50D.003.
                                 ADMINISTRATIVE SUPPORT.
                                                               The department:
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                           shall provide administrative support, including
       staff, to the policy council; and
(2) may allocate appropriate administrative support
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       to the research committee.
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                  [Sections 50D.004-50D.010 reserved for expansion]
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                     SUBCHAPTER B.
                                      TEXAS BIOENERGY POLICY COUNCIL
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                     50D.011.
                                COMPOSITION.
                                                     (a)
                                                           The
                                                                 policy
                                                                           council
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       composed of the following 16 members:
                     (1) the commissioner,
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                                                    who serves as chair of
       policy council;
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                     (2)
                           one representative of the Railroad Commission of
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       Texas;
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                                 representative of the Texas Commission on
                           one
       Environmental Quality;
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                     (4)
                           one
                                  representative of
                                                             the
                                                                    Public Utility
       Commission of Texas;
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                           one representative of the Texas Water Development
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       Board;
                           the chancellor of The Texas A&M University System,
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       or the person designated by the chancellor;

(7) the chancellor of the Texas
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                                                                    Tech University
       System, or the person designated by the chancellor;
(8) the chancellor of The University of Texas System,
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       or the person designated by the chancellor;
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                     (9)
                                           of
                           one member
                                                the senate appointed by the
       lieutenant governor;
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                                             <u>o</u>f
                      (10)
                                  member
                                                 the
                                                       house
                                                                     representatives
       appointed by the speaker of the house of representatives; and
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                     (11)
                             six members appointed by the governor, with each
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       of the following industries or groups represented by one member:

(A) research and development of feedstock and
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       feedstock production;
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                            (B)
                                  retail distribution of energy;
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                            (C)
                                  transportation of biomass feedstock;
                                  agricultural production
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                            (D)
                                                                    for
                                                                             bioenergy
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production or agricultural waste used for production of bioenergy;

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C.S.S.B. No. 1666 or ethanol from production of biodiesel 2-1 (E) 2-2 nonfood feedstocks; and

(F) bio-based electricity generation.

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The six members of the policy council appointed by the serve at the governor's pleasure and have two-year governor staggered terms. The terms of three of those members expire on January 1 of each even-numbered year, and the terms of three of those members expire on January 1 of each odd-numbered year.

(c) The governor shall fill any vacancy in a position appointed by the governor for the remainder of the unexpired term.

(d) Appointments to the policy council must be made without

- the race, color, disability, sex, religion, age, regard to national origin of the appointees.
- The policy council is subject to Chapters 551 and 2001, (e) Government Code.
- Sec. 50D.012. REMOVAL OF POLICY COUNCIL MEMBERS. member of the policy council may be removed from the policy council if the member:
- (1)is not able to devote the time necessary to perform the member's duties as a member;
- cannot because of illness or disability discharge (2) the member's duties or cannot discharge those duties for a substantial part of the term for which the member is appointed; or
- (3) is absent from more than half of the regularly olicy council meetings that the member is eligible to scheduled policy council meetings that the member is eligible to attend during a calendar year, unless the absence is excused by a majority vote of the policy council.
- (b) An action of the policy council is not invalid because a ground for removal of a policy council member exists at the time the action is taken.
- (c) If the commissioner has knowledge that a potential ground for removal of a policy council member exists, the commissioner shall notify the governor and attorney general of the potential ground for removal.
- 50D.013. DUTIES OF POLICY COUNCIL. (a) The policy council shall:
- (1)provide a vision for unifying this state's agricultural, energy, and research strengths in a successful launch of a cellulosic biofuel industry;
- foster development of cellulosic-based fuels and Texas emerging technology fund's investments in (2) build on the leading-edge energy research and efforts to commercialize the production of bioenergy;
- (3) pursue the creation of a next-generation biofuels
- energy research program at a university in this state;
 (4) work to procure federal and other funding to aid this state in becoming a bioenergy leader; and
- (5) perform other advisory duties as requested by the commissioner regarding the responsible development of bioenergy resources in this state.
- (b) The policy council shall meet regularly as necessary at the call of the commissioner.
- Sec. 50D.014. REIMBURSEMENT OF EXPENSES. A member of the policy council may not receive compensation for service on the council. Subject to availability of funds, a policy council member may receive reimbursement for the actual and necessary expenses incurred while conducting policy council business.

[Sections 50D.015-50D.020 reserved for expansion] SUBCHAPTER C. TEXAS BIOENERGY RESEARCH COMMITTEE

- COMPOSITION. 50D.021. (a) The research committee is composed of the following 16 members:
- (1) the commissioner or the person designated by the commissioner, who serves as the chair of the research committee;
- (2) one representative of the Railroad Commission of Texas;
- 2-65 2-66 representative of the Texas Commission on one Environmental Quality; 2-67
- (4) 2-68 representative of the Public Utility one Commission of Texas; 2-69

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one representative of the Texas Water Development 3 - 1

3-2 Board;

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(6) researcher or specialist in the bioenergy field from each of the following university systems, appointed by the chancellor of the system:

(A) The Texas A&M University System;

the Texas Tech University System; and (B)

The University of Texas System;

- representative of the Texas (7)one Agricultural Finance Authority, appointed by the commissioner to serve as a nonvoting member;
- (8) representative of Texas the one emeraina fund, appointed by the governor to serve as a nonvoting technology member; and
- (9)six members appointed by the governor, with each of the following industries or groups represented by one member:
- research and development of feedstock and (A) feedstock production;

(B) retail distribution of energy;

transportation of biomass feedstock; (C)

(D) agricultural production for bioenergy production or agricultural waste used for production of bioenergy;

(E) production of biodiesel or ethanol from

nonfood feedstocks; and

- (F) bio-based electricity generation.
 The six members of the research committee appointed by the governor serve at the governor's pleasure and have two-year staggered terms. The terms of three of those members expire on January 1 of each even-numbered year, and the terms of three of those members expire on January 1 of each odd-numbered year.

 (c) The governor shall fill any vacancy in a position
- appointed by the governor for the remainder of the unexpired term.
- (d) Appointments to the research committee must be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

 (e) The research committee is subject to Chapters 551 and
- 2001, Government Code.
- Sec. 50D.022. REMOVAL OF RESEARCH COMMITTEE (a) A member of the research committee may be removed from the research committee if the member:
- (1) is not able to devote the time necessary to perform the member's duties as a member;
- (2) cannot because of illness or disability discharge the member's duties or cannot discharge those duties for a substantial part of the term for which the member is appointed; or

 (3) is absent from more than half of the regularly
- scheduled committee meetings that the member is eligible to attend during a calendar year, unless the absence is excused by a majority vote of the committee.
 (b) An action
- (b) An action of the research committee is not invalid because a ground for removal of a committee member exists at the time the action is taken.
- (c) If the commissioner has knowledge that a potential ground for removal of a committee member exists, the commissioner shall notify the governor and attorney general of the potential ground for removal.
- Sec. 50D.023. PURPOSES AND DUTY OF RESEARCH COMMITTEE. The research committee is a research consortium among academic and technical research leadership, with active involvement by all sectors of the economy interested in bioenergy development.

(b) The research committee shall:

- (1) identify and research appropriate and desirable biomass feedstock for each geographic region of this state;
- (2) investigate logistical challenges to the planting, harvesting, and transporting of large volumes of biomass and provide recommendations to the policy council that will aid in overcoming barriers to the transportation, distribution, and marketing of bioenergy;
 (3) identify strategies for and obstacles to the

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4-1 potential transition of the agriculture industry in western regions
4-2 of this state to dryland bioenergy crops that are not dependent on
4-3 groundwater resources;
4-4 (4) explore regions of this state, including coastal

(4) explore regions of this state, including coastal areas, that may contain available marginal land for use in growing bioenergy feedstocks; and

(5) perform other research duties as requested by the commissioner relating to the responsible development of bioenergy resources in this state.

(c) The research committee shall meet at the call of the commissioner.

Sec. 50D.024. REIMBURSEMENT OF EXPENSES. A member of the research committee may not receive compensation for service on the committee. Subject to availability of funds, a research committee member may receive reimbursement for the actual and necessary expenses incurred while conducting research committee business.

SECTION 2. (a) As soon as practicable after the effective date of this Act, the appropriate persons shall appoint the members of the Texas Bioenergy Policy Council and the Texas Bioenergy Research Committee established by Sections 50D.011 and 50D.021, Agriculture Code, as added by this Act.

(b) Not later than the 30th day after the date the final member is appointed to the Texas Bioenergy Policy Council, the commissioner of agriculture shall call the first meeting of the policy council.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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