

By: Nichols, Eltife, Williams

S.B. No. 1668

A BILL TO BE ENTITLED

AN ACT

relating to application requirements and performance standards for  
agricultural biomass and landfill diversion incentive grants.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 22.001, Agriculture Code, is amended to  
read as follows:

Sec. 22.001. POLICY AND PURPOSE. It is the policy of this  
state and the purpose of this chapter to reduce air pollution,  
improve air quality, protect public health, help this state  
diversify its energy supply, and divert waste from landfills  
through new price-support incentives to encourage the generation of  
~~[construction of facilities to generate]~~ electric energy with  
certain types of agricultural residues, forest wood waste, urban  
wood waste, storm-generated biomass debris, and energy-dedicated  
crops.

SECTION 2. Section 22.003, Agriculture Code, is amended by  
amending Subsection (b) and adding Subsection (b-1) to read as  
follows:

(b) Subject to Section 22.005, a farmer, logger, or diverter  
is entitled to receive a grant in the amount of \$20 for each  
bone-dry ton of qualified agricultural biomass, forest wood waste,  
urban wood waste, or storm-generated biomass debris provided by the  
farmer, logger, or diverter in a form suitable for generating  
electric energy to a facility that:

(1) is located in this state;

(2) ~~[was placed in service after August 31, 2009,~~

~~[(3)]~~ generates electric energy for its own use or for sale ~~[sold]~~ to a third party by using qualified agricultural biomass, forest wood waste, urban wood waste, or storm-generated biomass debris;

(3) ~~[(4)]~~ uses the best available emissions control technology, considering the technical practicability and economic reasonableness of reducing or eliminating the air contaminant emissions resulting from the facility;

(4) ~~[(5)]~~ maintains its emissions control equipment in good working order; and

(5) ~~[(6)]~~ is in compliance with its operating permit issued by the Texas Commission on Environmental Quality under Chapter 382, Health and Safety Code.

(b-1) Consistent with Subsection (d), the commissioner by rule shall establish:

(1) requirements an applicant must comply with to be eligible for a grant under this chapter;

(2) performance standards that must be met by a recipient of a grant under this chapter;

(3) audit procedures that ensure that the recipient of a grant meets the performance standards established by this section; and

(4) procedures for recovering grant funds from a recipient who fails to meet the requirements or standards established by the commissioner for the grant.

1           SECTION 3.   The Texas Department of Agriculture shall adopt  
2 rules consistent with Section 22.003, Agriculture Code, as amended  
3 by this Act, not later than December 1, 2009.

4           SECTION 4.   This Act takes effect September 1, 2009.