

SENATE JOINT RESOLUTION 18

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By: **Senators Middleton, Colburn, Dyson, Ferguson, Hafer, Haines, Hooper, Jacobs, and Stoltzfus**

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 2002

RESOLUTION NO. 20

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **Ethanol Production in Maryland**

3 FOR the purpose of urging certain State agencies to provide financial and technical
4 support for the production of fuel grade ethanol production in the State; and
5 requiring the Department of Agriculture, the Department of Business and
6 Economic Development, and the Maryland Energy Administration to submit a
7 certain report on or before a certain date.

8 WHEREAS, Ethanol is a domestic and renewable fuel produced from grain
9 crops and other biomass sources that can replace petroleum to increase our energy
10 security and reduce our dependence on imported oil and fossil fuels; and

11 WHEREAS, When ethanol is added to petroleum fuels it reduces carbon
12 monoxide emissions, greenhouse gas emissions, urban air pollution, water pollution,
13 waste disposal, acid rain, and smog, and, at the same time, does not adversely affect
14 the nitrogen oxide levels or the performance of motor vehicles; and

15 WHEREAS, Ethanol is a flexible, environmentally friendly fuel that can be used
16 as a 10% blend (E10) to run in any vehicle to boost the octane level of gasoline, as an
17 oxygenate to replace methyl tertiary butyl ether (MTBE), or simply as an extender to
18 displace foreign oil. It can also be used as an 85% blend (E85) as an alternative fuel
19 which will run in a large number of commercially available flexible fuel vehicles, as a
20 source of hydrogen for fuel cells, blended with diesel to reduce sulfur levels, and as an
21 aviation fuel; and

22 WHEREAS, A recent study shows that a barley-based ethanol plant is feasible
23 for Maryland. Ethanol production benefits the economy by providing an additional
24 cash crop for Maryland farmers, creating new jobs in rural areas, reducing the

1 dependency on foreign petroleum, therefore, reducing the trade deficit, and lowering
2 health care costs associated with toxic emissions; and

3 WHEREAS, The Departments of Agriculture, Natural Resources, and the
4 Environment have determined that cover crops are one of the most effective Best
5 Management Practices to reduce nitrogen loading into the Chesapeake Bay. A small
6 grains ethanol plant will expand the acreage of barley and other small grains, which
7 are excellent cover crops that utilize residual nitrogen thereby reducing agricultural
8 runoff into the Chesapeake Bay and coastal bay watershed; and

9 WHEREAS, The federal government has established certain policies to expand
10 the use of clean burning, renewable, domestic fuels, like ethanol, and is considering
11 further incentives to increase the use of renewable energies; and

12 WHEREAS, The Governor has expressed his support for renewable energy and
13 alternative fuels in his recent Executive Orders on Energy Conservation and
14 Efficiency and Clean Power, Green Buildings, and Energy Efficiency; and

15 WHEREAS, Other states have benefitted from investments and policies
16 designed to foster the development of an ethanol production industry; and

17 WHEREAS, The Maryland General Assembly wishes to support the
18 construction of a fuel grade ethanol plant in Maryland and is willing to support
19 financial assistance for the construction of the plant; now, therefore, be it

20 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That ethanol
21 production could provide significant contributions to the State's environment, energy
22 security, and economy. The General Assembly urges the Department of Business and
23 Economic Development, the Department of Agriculture, and the Department of the
24 Environment to provide technical assistance and financial support for the
25 development of a business plan for an ethanol industry in Maryland; and be it further

26 RESOLVED, That the Department of Agriculture, the Department of Business
27 and Economic Development, and the Maryland Energy Administration, in conjunction
28 with the Maryland Grain Producers Utilization Board, shall report to the General
29 Assembly on or before December 1, 2002, in accordance with § 2-1246 of the State
30 Government Article, on measures, such as production credits, construction bonds or
31 other incentives that would attract producers to develop an ethanol production plant
32 in Maryland that will be fully on line and operating at capacity in 2004 the feasibility
33 of developing an ethanol production facility in Maryland, including examination of
34 proposed operational structures, financing, State incentives, and other matters
35 related to proceeding with development of the facility; and be it further

36 RESOLVED, That a copy of this Resolution be forwarded by the Department of
37 Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland;
38 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and
39 the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates.

