

# SENATE BILL 555

C5, C2, M3

9lr1274  
CF HB 1379

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By: **Senators Middleton, Brinkley, Colburn, Currie, DeGrange, Della, Exum, Garagiola, Glassman, Haines, Harrington, ~~Jacobs~~, Jones, Kasemeyer, Kelley, King, ~~Kittleman~~, Klausmeier, Kramer, Lenett, Madaleno, McFadden, Miller, Munson, Muse, Peters, Pugh, Robey, Stoltzfus, and Zirkin**

Introduced and read first time: February 5, 2009

Assigned to: Finance and Education, Health, and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: April 8, 2009

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Biomass and Biofuels - In-State Production Incentives**

3 FOR the purpose of altering certain provisions relating to net energy metering to  
4 allows certain eligible customer generators generating electricity from cellulosic  
5 feedstock to recover certain accrued generation credit for certain electricity fed  
6 back to the grid; ~~prohibiting a person from selling or offering for sale diesel fuel~~  
7 ~~in the State more than a certain period after the in-State production level of~~  
8 ~~biodiesel reaches certain levels unless the diesel fuel contains certain~~  
9 ~~percentages of biodiesel by volume~~ requiring, on or after certain dates after a  
10 certain time and certification that a certain number of gallons of in-State  
11 production level of biodiesel is reached, a certain percentage of the total diesel  
12 sold by volume in the State be biodiesel produced from feedstock grown in the  
13 United States; requiring the Comptroller to adopt certain regulations;  
14 authorizing the use of certain renewable diesel in place of biodiesel to satisfy up  
15 to a certain percentage of the biodiesel content requirements of this Act;  
16 providing that certain biodiesel content requirements apply only if the  
17 Comptroller, in consultation with the ~~Department of Agriculture and the~~  
18 Department of Transportation and other applicable agencies, makes a certain  
19 determination; prohibiting a person from selling or offering for sale gasoline in  
20 the State more than a certain period after the in-State production level of  
21 cellulosic biofuel reaches a certain level unless the gasoline contains a certain  
22 percentage of cellulosic biofuel by volume; authorizing the use of certain

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 renewable fuel in place of cellulosic biofuel to satisfy the cellulosic biofuel  
 2 content requirements of this Act; providing that the Comptroller, in  
 3 consultation with the Department of Agriculture and the Department of  
 4 Transportation, ~~may~~ shall suspend or reduce the biodiesel and cellulosic biofuel  
 5 content requirements under certain circumstances; requiring the Comptroller,  
 6 after consulting with the Department of Agriculture and the Department of  
 7 Transportation, to report to the General Assembly on certain matters on or  
 8 before a certain date each year; requiring the Department of Agriculture, in  
 9 consultation with certain agencies, to develop a plan for infrastructure  
 10 development that will support certain requirements once the State reaches  
 11 applicable production levels; requiring the Department of Agriculture to report  
 12 on the plan, findings, and recommendations to the Governor and the General  
 13 Assembly on or before a certain date; providing for the application of certain  
 14 provisions of this Act; defining certain terms; making stylistic changes; and  
 15 generally relating to net energy metering and motor fuel.

16 BY repealing and reenacting, with amendments,  
 17 Article – Public Utility Companies  
 18 Section 7–306  
 19 Annotated Code of Maryland  
 20 (2008 Replacement Volume and 2008 Supplement)

21 BY repealing and reenacting, without amendments,  
 22 Article – Business Regulation  
 23 Section 10–101(d), (e), (f), and (l)  
 24 Annotated Code of Maryland  
 25 (2004 Replacement Volume and 2008 Supplement)

26 BY adding to  
 27 Article – Business Regulation  
 28 Section 10–304.2  
 29 Annotated Code of Maryland  
 30 (2004 Replacement Volume and 2008 Supplement)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 32 MARYLAND, That the Laws of Maryland read as follows:

33 **Article – Public Utility Companies**

34 7–306.

35 (a) (1) In this section the following words have the meanings indicated.

36 (2) “Biomass” means [“qualified] **“QUALIFYING biomass”** as defined in  
 37 § 7–701 of this title.

~~(3) “CELLULOSIC FEEDSTOCK” MEANS A CROP OR PORTION OF A CROP CONTAINING LIGNOCELLULOSE OR HEMICELLULOSE, INCLUDING BARLEY GRAIN, GRAPESEED, FOREST THINNINGS, SWITCHGRASS, RICE BRAN, RICE HULLS, RICE STRAW, AND SOYBEAN MATTER.~~

(3) “CELLULOSIC FEEDSTOCK” MEANS PLANT MATTER OR MATERIAL COMPRISED OF CELLULOSE, HEMICELLULOSE, OR LIGNIN THAT IS AVAILABLE ON A RENEWABLE OR RECURRING BASIS, INCLUDING:

(I) AGRICULTURE WASTES, SUCH AS CORN STOVER, STRAW, SEED HULLS, SORGHUM BAGASSE, AND NUTSHELLS;

(II) HIGH-YIELDING ENERGY CROPS, SUCH AS POPLARS, WILLOWS, SWITCHGRASS, ALFALFA, AND ALGAE;

(III) WOOD MATERIALS, SUCH AS WOOD OR BARK, SAWDUST, TIMBER SLASH, AND MILL SCRAP; AND

(IV) WASTE MATERIAL, INCLUDING MUNICIPAL WASTE, SUCH AS YARD CLIPPINGS.

[(3)] (4) “Eligible customer-generator” means a customer that owns and operates or leases and operates a biomass, solar, or wind electric generating facility that:

(i) is located on the customer’s premises;

(ii) is interconnected and operated in parallel with an electric company’s transmission and distribution facilities; and

(iii) is intended primarily to offset all or part of the customer’s own electricity requirements.

[(4)] (5) “Net energy metering” means measurement of the difference between the electricity that is supplied by an electric company and the electricity that is generated by an eligible customer-generator and fed back to the electric company over the eligible customer-generator’s billing period.

(b) The General Assembly finds and declares that a program to provide net energy metering for eligible customer-generators is a means to encourage private investment in renewable energy resources, stimulate in-State economic growth, enhance continued diversification of the State’s energy resource mix, and reduce costs of interconnection and administration.

1 (c) An electric company serving an eligible customer-generator shall ensure  
2 that the meter installed for net energy metering is capable of measuring the flow of  
3 electricity in two directions.

4 (d) The Commission shall require electric utilities to develop a standard  
5 contract or tariff for net energy metering and make it available to eligible  
6 customer-generators on a first-come, first-served basis until the rated generating  
7 capacity owned and operated by eligible customer-generators in the State reaches  
8 1,500 megawatts.

9 (e) (1) Except as provided in subsection (g) of this section, a net energy  
10 metering contract or tariff shall be identical, in energy rates, rate structure, and  
11 monthly charges, to the contract or tariff that the customer would be assigned if the  
12 customer were not an eligible customer-generator.

13 (2) (i) A net energy metering contract or tariff may not include  
14 charges that would raise the eligible customer-generator's minimum monthly charge  
15 above that of customers of the rate class to which the eligible customer-generator  
16 would otherwise be assigned.

17 (ii) Charges prohibited by this paragraph include new or  
18 additional demand charges, standby charges, customer charges, and minimum  
19 monthly charges.

20 (f) (1) The electric company shall calculate net energy metering in  
21 accordance with this subsection.

22 (2) Net energy produced or consumed on a monthly basis shall be  
23 measured in accordance with standard metering practices.

24 (3) If electricity supplied by the grid exceeds electricity generated by  
25 the eligible customer-generator during a month, the eligible customer-generator shall  
26 be billed for the net energy supplied in accordance with subsection (e) of this section.

27 (4) If electricity generated by the eligible customer-generator exceeds  
28 the electricity supplied by the grid, the eligible customer-generator shall be required  
29 to pay only customer charges for that month in accordance with subsection (e) of this  
30 section.

31 (5) (i) An eligible customer-generator under paragraph (4) of this  
32 subsection may accrue generation credit for a period not to exceed 12 months.

33 (ii) The electric company shall carry forward a negative  
34 kilowatt-hour reading until:

35 1. the eligible customer-generator's consumption of  
36 electricity from the grid eliminates the credit; or



1 (h) (1) The generating capacity of an electric generating system used by  
2 an eligible customer-generator for net metering may not exceed 2 megawatts.

3 (2) An electric generating system used by an eligible  
4 customer-generator for net metering shall meet all applicable safety and performance  
5 standards established by the National Electrical Code, the Institute of Electrical and  
6 Electronics Engineers, and Underwriters Laboratories.

7 (3) The Commission may adopt by regulation additional control and  
8 testing requirements for eligible customer-generators that the Commission  
9 determines are necessary to protect public safety and system reliability.

10 (4) An electric company may not require an eligible  
11 customer-generator whose electric generating system meets the standards of  
12 paragraphs (2) and (3) of this subsection to:

- 13 (i) install additional controls;
- 14 (ii) perform or pay for additional tests; or
- 15 (iii) purchase additional liability insurance.

16 (5) An eligible customer-generator shall own and have title to all  
17 renewable energy attributes or renewable energy credits associated with any  
18 electricity produced by its electric generating system.

19 (i) On or before February 1 of each year, the Commission shall report to the  
20 General Assembly, in accordance with § 2-1246 of the State Government Article, on  
21 the status of the net metering program under this section, including:

22 (1) the amount of capacity of electric generating facilities owned and  
23 operated by eligible customer-generators in the State by type of energy resource;

24 (2) based on the need to encourage a diversification of the State's  
25 energy resource mix to ensure reliability, whether the rated generating capacity limit  
26 in subsection (d) of this section should be altered; and

27 (3) other pertinent information.

## 28 **Article - Business Regulation**

29 10-101.

30 (d) (1) "Gasoline" means a product that:

31 (i) is used as fuel in a spark ignited, internal combustion  
32 engine; or

1 (ii) is designated as gasoline by the Comptroller.

2 (2) “Gasoline” includes:

3 (i) casing head gasoline;

4 (ii) absorption gasoline;

5 (iii) other natural gasoline; and

6 (iv) aviation gasoline, as defined in § 9–101(c) of the Tax –  
7 General Article.

8 (e) “Motor fuel” means:

9 (1) gasoline; or

10 (2) special fuel.

11 (f) “Motor vehicle” means a vehicle that:

12 (1) is self-propelled;

13 (2) is designed to be operated on a public highway; and

14 (3) is not operated only on rails.

15 (1) (1) “Special fuel” means a product that is usable as fuel in an internal  
16 combustion engine.

17 (2) “Special fuel” does not include gasoline.

18 **10-304.2.**

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
20 MEANINGS INDICATED.

21 (2) **“BIODIESEL” MEANS A ~~RENEWABLE~~ FUEL DERIVED FROM A**  
22 **RENEWABLE SOURCE AND COMPRISED OF MONO-ALKYL ESTERS OF LONG**  
23 **CHAIN FATTY ACIDS DERIVED FROM VEGETABLE OILS OR ANIMAL FATS THAT**  
24 **MEETS THE REQUIREMENTS OF ASTM D 6751 AND ITS SUCCESSORS AND THAT**  
25 **IS MANUFACTURED BY AN ENTITY CERTIFIED BY THE BQ-9000 NATIONAL**  
26 **BIODIESEL ACCREDITATION PROGRAM.**

27 (3) **“CELLULOSIC BIOFUEL” HAS THE MEANING STATED IN §**  
28 **211(O)(1)(E) OF THE CLEAN AIR ACT (42 U.S.C. § 7545(O)(1)(E)).**

1           (4) (I) “IN-STATE PRODUCTION LEVEL” MEANS THE  
2 ANNUALIZED VOLUME OF IN-STATE PRODUCTION OF BIODIESEL OR  
3 CELLULOSIC BIOFUEL OVER ANY 3-MONTH PERIOD, AS CERTIFIED BY THE  
4 DEPARTMENT OF AGRICULTURE.

5                       (II) CERTIFICATION BY THE DEPARTMENT OF  
6 AGRICULTURE UNDER THIS PARAGRAPH SHALL BE PUBLISHED IN THE  
7 MARYLAND REGISTER.

8           (5) “RENEWABLE DIESEL” MEANS A ~~NON-ESTER~~ DIESEL FUEL  
9 SUBSTITUTE THAT:

10                       (I) IS DERIVED FROM NONPETROLEUM RENEWABLE  
11 RESOURCES;

12                       ~~(II) IS REGISTERED UNDER 40 C.F.R. PART 79 AS A MOTOR~~  
13 ~~VEHICLE FUEL OR FUEL ADDITIVE;~~

14                       (II) IS PRODUCED FROM BIOLOGICAL SOURCES OF OILS;

15                       (III) HAS AN EMISSIONS PROFILE AT LEAST AS  
16 ENVIRONMENTALLY PROTECTIVE AS THE BIODIESEL THAT IT REPLACES;

17                       ~~(III)~~ (IV) IS SUITABLE FOR USE IN DIESEL ENGINES; AND AS  
18 A FUEL;

19                       (V) WHEN INTENDED FOR USE IN MOTOR VEHICLES, IS  
20 REGISTERED UNDER 40 C.F.R. PART 79 AS A MOTOR VEHICLE FUEL OR FUEL  
21 ADDITIVE;

22                       (VI) WHEN INTENDED FOR USE IN NONMOTOR VEHICLE  
23 APPLICATIONS, IS PROPERLY REGISTERED AS REQUIRED UNDER APPLICABLE  
24 FEDERAL OR STATE LAW; AND

25                       ~~(IV)~~ (VII) MEETS OTHER STANDARDS ADOPTED BY THE  
26 COMPTROLLER.

27           (6) “RENEWABLE FUEL” MEANS A GASOLINE SUBSTITUTE OTHER  
28 THAN CELLULOSIC BIOFUEL THAT:

29                       (I) IS DERIVED FROM NONPETROLEUM RENEWABLE  
30 RESOURCES;

31                       (II) IS REGISTERED UNDER 40 C.F.R. PART 79 AS A MOTOR  
32 VEHICLE FUEL OR FUEL ADDITIVE;

1 (III) IS SUITABLE FOR USE IN GASOLINE ENGINES;

2 (IV) HAS AN EMISSIONS PROFILE AT LEAST AS  
3 ENVIRONMENTALLY PROTECTIVE AS THE CELLULOSIC BIOFUEL THAT IT  
4 REPLACES; AND

5 (V) MEETS OTHER STANDARDS ADOPTED BY THE  
6 COMPTROLLER.

7 ~~(B) THIS SECTION APPLIES TO MOTOR FUEL SOLD OR OFFERED FOR~~  
8 ~~SALE FOR USE IN A MOTOR VEHICLE.~~

9 ~~(C) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS~~  
10 ~~SUBSECTION, A PERSON MAY NOT SELL OR OFFER FOR SALE DIESEL FUEL IN~~  
11 ~~THE STATE MORE THAN 1 YEAR AFTER THE DEPARTMENT OF AGRICULTURE~~  
12 ~~CERTIFIES THAT THE IN-STATE PRODUCTION LEVEL OF:~~

13 ~~(I) 5,000,000 GALLONS UNLESS THE DIESEL FUEL~~  
14 ~~CONTAINS AT LEAST 2% BIODIESEL BY VOLUME;~~

15 ~~(II) 10,000,000 GALLONS UNLESS THE DIESEL FUEL~~  
16 ~~CONTAINS AT LEAST 5% BIODIESEL BY VOLUME;~~

17 ~~(III) 15,000,000 GALLONS UNLESS THE DIESEL FUEL~~  
18 ~~CONTAINS AT LEAST 10% BIODIESEL BY VOLUME; AND~~

19 ~~(IV) 30,000,000 GALLONS UNLESS THE DIESEL FUEL~~  
20 ~~CONTAINS AT LEAST 20% BIODIESEL BY VOLUME.~~

21 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS  
22 SUBSECTION, ON OR AFTER THE DATES SET BY THE COMPTROLLER BY  
23 REGULATION THAT ARE MORE THAN 1 YEAR AFTER THE DEPARTMENT OF  
24 AGRICULTURE CERTIFIES THAT THE IN-STATE PRODUCTION LEVEL OF  
25 BIODIESEL EQUALS AT LEAST:

26 (I) 12,000,000 GALLONS, 2% OF THE TOTAL DIESEL SOLD  
27 BY VOLUME IN THE STATE MUST BE BIODIESEL PRODUCED FROM FEEDSTOCK  
28 GROWN IN THE UNITED STATES;

29 (II) 30,000,000 GALLONS, 5% OF THE TOTAL DIESEL SOLD  
30 BY VOLUME IN THE STATE MUST BE BIODIESEL PRODUCED FROM FEEDSTOCK  
31 GROWN IN THE UNITED STATES;

1                   **(III) 55,000,000 GALLONS, 10% OF THE TOTAL DIESEL SOLD**  
2 **BY VOLUME IN THE STATE MUST BE BIODIESEL PRODUCED FROM FEEDSTOCK**  
3 **GROWN IN THE UNITED STATES; AND**

4                   **(IV) 110,000,000 GALLONS, 20% OF THE TOTAL DIESEL SOLD**  
5 **BY VOLUME IN THE STATE MUST BE BIODIESEL PRODUCED FROM FEEDSTOCK**  
6 **GROWN IN THE UNITED STATES.**

7                   **(2) RENEWABLE DIESEL PRODUCED IN THE STATE MAY BE USED**  
8 **IN PLACE OF BIODIESEL TO SATISFY UP TO 25% OF THE BIODIESEL CONTENT**  
9 **REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION.**

10                   **(3) (I) THE BIODIESEL CONTENT REQUIREMENTS UNDER**  
11 **PARAGRAPH (1)(III) AND (IV) OF THIS SUBSECTION SHALL APPLY ONLY IF THE**  
12 **COMPTROLLER, IN CONSULTATION WITH THE DEPARTMENT OF**  
13 **TRANSPORTATION AND OTHER APPLICABLE AGENCIES, DETERMINES THAT**  
14 **~~MANUFACTURERS OF DIESEL MOTOR VEHICLES SOLD IN THE STATE WILL NOT~~**  
15 **~~VOID ENGINE MANUFACTURER WARRANTIES WILL NOT BE VOIDED DUE TO THE~~**  
16 **USE OF BIODIESEL BLENDS AT THE REQUIRED PERCENTAGES.**

17                   **(II) THE COMPTROLLER SHALL PUBLISH NOTICE OF ITS**  
18 **DETERMINATION UNDER THIS PARAGRAPH IN THE MARYLAND REGISTER.**

19                   **(4) THE COMPTROLLER SHALL ADOPT REGULATIONS THAT**  
20 **SPECIFY THE DATES AND THE MANNER IN WHICH THE BIODIESEL CONTENT**  
21 **REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION ARE TO BE MET.**

22                   **~~(D)~~ (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
23 **SUBSECTION, A PERSON MAY NOT SELL OR OFFER FOR SALE GASOLINE IN THE**  
24 **STATE MORE THAN 1 YEAR AFTER THE DEPARTMENT OF AGRICULTURE**  
25 **CERTIFIES THAT THE IN-STATE PRODUCTION LEVEL OF CELLULOSIC BIOFUEL**  
26 **HAS REACHED ~~25,000,000~~ 100,000,000 GALLONS UNLESS THE GASOLINE**  
27 **CONTAINS AT LEAST ~~10%~~ 5% CELLULOSIC BIOFUEL BY VOLUME.**

28                   **(2) RENEWABLE FUEL PRODUCED IN THE STATE MAY BE USED IN**  
29 **PLACE OF CELLULOSIC BIOFUEL TO SATISFY UP TO 25% OF THE REQUIREMENTS**  
30 **OF THIS SUBSECTION.**

31                   **~~(E)~~ (D) THE COMPTROLLER, IN CONSULTATION WITH THE**  
32 **DEPARTMENT OF AGRICULTURE AND THE DEPARTMENT OF TRANSPORTATION,**  
33 **~~MAY~~ SHALL SUSPEND OR REDUCE THE CONTENT REQUIREMENTS OF**  
34 **SUBSECTIONS ~~(C) AND (D)~~ (B) AND (C) OF THIS SECTION IF THE CONTENT**  
35 **REQUIREMENTS:**

1           (1) ~~WOULD SUBSTANTIALLY INCREASE COSTS~~ PLACE RETAILERS  
 2 AT A COMPETITIVE DISADVANTAGE OR CAUSE ECONOMIC HARDSHIP TO  
 3 CONSUMERS; OR

4           (2) CANNOT BE MET:

5                   (I) AS A RESULT OF INSUFFICIENT SUPPLIES OF BIODIESEL  
 6 OR CELLULOSIC BIOFUEL; OR

7                   (II) BECAUSE THE NECESSARY INFRASTRUCTURE,  
 8 INCLUDING DISTRIBUTION SYSTEMS FOR BIODIESEL AND CELLULOSIC BIOFUEL,  
 9 DOES NOT EXIST.

10           ~~(F)~~ (E) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE  
 11 COMPTROLLER, AFTER CONSULTING WITH THE DEPARTMENT OF  
 12 AGRICULTURE AND THE DEPARTMENT OF TRANSPORTATION, SHALL REPORT  
 13 TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE  
 14 GOVERNMENT ARTICLE, ON THE STATUS OF THE STATE'S BIODIESEL AND  
 15 CELLULOSIC BIOFUEL INDUSTRIES AND THE IMPLEMENTATION OF THIS  
 16 SECTION, INCLUDING:

17                   (1) THE ECONOMIC IMPACT OF THE BIODIESEL AND CELLULOSIC  
 18 BIOFUEL CONTENT REQUIREMENTS;

19                   (2) THE INCIDENCE OF PERFORMANCE-RELATED ISSUES THAT  
 20 MAY HAVE ARISEN DUE TO COLD WEATHER OR BIOFUEL QUALITY;

21                   ~~(2)~~ (3) THE NAMES AND LOCATIONS OF BIODIESEL AND  
 22 CELLULOSIC BIOFUEL PRODUCTION FACILITIES IN THE STATE; AND

23                   ~~(3)~~ (4) THE LEVEL OF IN-STATE PRODUCTION OF BIODIESEL  
 24 AND CELLULOSIC BIOFUEL.

25           SECTION 2. AND BE IT FURTHER ENACTED, That:

26                   (a) (1) The Department of Agriculture, in consultation with the  
 27 Comptroller, the Maryland Energy Administration, the Chesapeake Bay Commission,  
 28 the Department of Transportation, and the Department of Business and Economic  
 29 Development, shall develop a plan that includes findings and recommendations for  
 30 infrastructure development that will support the requirements under § 10-304.2(b)  
 31 and (c) of the Business Regulation Article, as enacted by Section 1 of this Act once the  
 32 State reaches applicable production levels.

33                   (2) The plan shall include all aspects of the biofuel supply chain  
 34 infrastructure, including:

1                   (i) Feedstock production: sustainably produced supplies of  
2 biofuel feedstocks;

3                   (ii) Feedstock logistics: equipment, labor force, harvesting,  
4 collection, storage, pre-processing, and transportation operations;

5                   (iii) Biofuels production: refining, conversion operations,  
6 transportation operations, and storage;

7                   (iv) Biofuels distribution: transportation, storage, blending, and  
8 dispensing operations; and

9                   (v) Biofuels end use infrastructure: storage, retail pump  
10 retrofits and upgrades, marketing, consumer demand, compatible vehicles with higher  
11 blends of biofuels, and manufacturer warranties.

12                   (3) The plan shall include a list of available State and federal funds  
13 that may be available for supply chain infrastructure needs through various State or  
14 federal programs with the intent to minimize supply chain construction costs and costs  
15 of the fuel product. The list should, at a minimum, include:

16                   (i) Grants;

17                   (ii) Loans, loan guarantees, and leases;

18                   (iii) Tax incentives;

19                   (iv) Rebates;

20                   (v) Fuel discounts;

21                   (vi) Technical assistance; and

22                   (vii) Funds made available through the federal American  
23 Recovery and Reinvestment Act of 2009.

24                   (4) The plan shall include comprehensive and proactive  
25 recommendations to ensure public health, safety, and environmental sustainability  
26 and natural resource protection, including:

27                   (i) Types of feedstocks used;

28                   (ii) Location of feedstocks grown;

29                   (iii) Removal guidelines for agricultural and forestry cellulosic  
30 feedstocks; and

1 (iv) Best management practices needed for sustainable feedstock  
2 production.

3 (b) On or before January 1, 2010, the Department of Agriculture shall report  
4 to the Governor, and, in accordance with § 2-1246 of the State Government Article, to  
5 the General Assembly on its plan, findings, and recommendations.

6 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take  
7 effect October 1, 2009.

Approved:

\_\_\_\_\_  
Governor.

\_\_\_\_\_  
President of the Senate.

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Speaker of the House of Delegates.