



## States' Biofuels Statutes

### STATE OF ALABAMA

*This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#).*

*Current through the 2013 Legislative Session of the Alabama General Assembly.*

#### **§ 2-2-110. Legislative findings.**

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 by providing environmentally sound, safe, reliable, and affordable energy and alternative fuel services and products.
- (2) To improve the quality of life of the state's citizens, it is proper and appropriate for the state to develop a sustained program of public interest energy and alternative fuel research and development for projects that are not adequately provided for by competitive and regulated energy markets.
- (3) Public interest energy and fuel research and development projects would advance energy science and technologies of value to Alabama's citizens and take advantage of Alabama's unique portfolio of energy and fuel resources, including fossil fuel, alternative fuel, and bioenergy resources.

#### **§ 2-2-111. Program created; goals; implementation and administration.**

- (a) The Public Interest Energy and Fuel Research and Development Grants Program is hereby created. The program shall be implemented and administrated by the Commissioner of Agriculture and Industries through the Department of Agriculture and Industries Center for Alternative Fuels. The program shall include a full range of energy and alternative fuel research and development activities that are not adequately provided for in the competitive and regulated markets. The Advisory Commission on Public Interest Energy and Fuel Research and Development Grants established in Section 2-2-112 shall advise the commissioner regarding the operation of the program, and make specific recommendations regarding the awarding of grants and funds for projects in the program.

- (b) The general goals of this program are to develop and help bring to market technologies that enhance Alabama's unique portfolio of energy and fuel resources and potential energy and fuel sources, particularly the significant fossil fuel, alternative fuel, and bioenergy resources of the state; provide increased environmental benefits; increase energy and fuel reliability in times of crisis; and lower energy and fuel costs.
- (c) In order to achieve program goals, the commissioner shall adopt a portfolio approach for the program that does all of the following:
  - (1) Effectively balances the risks, benefits, and time horizons for various activities and investments that will provide benefits for Alabama citizens, based on advisory commission input.
  - (2) Emphasizes innovative fossil fuel, alternative fuel, and bioenergy supply and end use technologies, focusing on their reliability, affordability, and environmental attributes.
  - (3) Includes projects that have the potential to enhance the production, reliability, storage, and distribution capabilities of current energy and fuel sources as well as potential fossil fuel, alternative fuel, and bioenergy sources.
  - (4) Accelerates knowledge transfer and technological innovations.
  - (5) Demonstrates a balance between short-term, mid-term, and long-term potential.
  - (6) Ensures that prior, current, and future research not be unnecessarily duplicated.
  - (7) Provides for the future market utilization of projects funded through the program.
  - (8) Stimulates growth-oriented fossil fuel, alternative fuel, and bioenergy enterprises within the state.
  - (9) Ensures an open project selection process based on commission advisory recommendations and encourages the awarding of research funding for a diverse type of research as well as a diverse award recipient base and equally considers research proposals from the public and private sectors.
  - (10) Encourages partnerships and collaborative projects between private enterprises, Alabama's universities, and research organizations in fossil fuels and bioenergy.
  - (11) Coordinates with other research programs.
- (d) To ensure the efficient implementation and administration of the program, the commissioner shall do the following:
  - (1) Develop procedures for the solicitation of grant applications for projects or program funding and ensure efficient program management.

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

**§ 2-2-112. Advisory Commission on Public Interest Energy and Fuel Research and Development Grants.**

- (a) There is hereby created the Advisory Commission on Public Interest Energy and Fuel Research and Development Grants, hereinafter referred to as the advisory commission, which shall advise the commissioner regarding the distribution of any funds available in the Public Interest Energy and Fuel Research and Development Grant Fund established in Section 2-2-114. The advisory commission shall be composed of the following members:
  - (1) The Chair of the Permanent Joint Legislative Committee on Energy Policy, who shall serve as chair.
  - (2) The Lieutenant Governor or his or her designee.
  - (3) The Speaker of the House of Representatives or his or her designee.
  - (4) The President of the Public Service Commission.
  - (5) The Commissioner of Agriculture and Industries.
  - (6) The President Pro Tempore of the Senate or his or her designee.
  - (7) One member appointed by the Senate Black Caucus.
  - (8) One member appointed by the House of Representatives Black Caucus.
  - (9) The Governor or his or her designee.
- (b) In addition to the members provided in subsection (a), the Governor, the Lieutenant Governor, the President of the Public Service Commission, and the Commissioner of Agriculture and Industries shall each appoint a member to the commission who is not a member of the Legislature.
- (c) The membership of the commission shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the state.
- (d) The advisory commission shall meet at least once each quarter.
- (e) Members of the advisory commission may participate in a meeting by means of conference telephone, video conference, or similar communications equipment by means of which all persons participating in the meeting may hear each other at the same time. Participation by such means shall constitute presence in person at a meeting for all purposes, including the establishment of a quorum. Telephone or video conference or similar communications

equipment shall also allow members of the public the opportunity to simultaneously listen to or observe the meetings.

- (f) The advisory commission members shall serve without compensation.

**§ 2-2-113. Evaluation of grant proposals; report to Legislature.**

- (a) The commissioner through the Center for Alternative Fuels shall evaluate grant proposals based on the relevance of such proposals to the purposes for which such grants shall be made; the extent to which such grant proposal advances the program objectives; the ability of the grant recipient to fulfill the objectives of the grant proposal; and the extent to which the grant proposal can benefit the greatest number of citizens. The commissioner shall consider only those grant proposals which receive the support of a majority of advisory commission members present and voting.
- (b) The commissioner shall prepare and submit to the Legislature, not later than March 31 of each year, a report on grants made pursuant to this chapter and progress toward achieving the goals set forth for the program. The report shall include information on the names of the recipients, the amount of awards, the types of projects funded, an evaluation of the success of previously funded projects, and recommendations for improvements in the program.

**§ 2-2-114. Public Interest Energy and Fuel Research and Development Grants Fund.**

There is hereby created in the State Treasury for administration by the Department of Agriculture and Industries Center for Alternative Fuels a fund to be known as the Public Interest Energy and Fuel Research and Development Grants Fund. The fund may receive state appropriations, gifts, grants, federal funds, and any other private and public funding. The fund shall be kept separate and apart from all other moneys in the Treasury and shall be used for the purposes set forth in this chapter only by warrant of the Comptroller upon the State Treasurer, upon itemized vouchers, approved by the Commissioner of Agriculture and Industries. The commissioner shall expend and deduct from the fund 20 percent of those amounts used for the operation of the center and the program pursuant to this chapter. No funds may be withdrawn or expended except as budgeted and allotted according to Article 4 of Chapter 4 of Title 41. The unobligated balance of the fund shall be invested by the State Treasurer for the benefit of the fund. Any interest earnings on the fund shall be credited only to the fund. Any unallocated appropriations made by the Legislature to the fund shall not revert at the end of any state fiscal year, but shall remain available for expenditure in subsequent fiscal years.