



States' Biofuels Statutes

STATE OF LOUISIANA

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](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.

Current through the 2013 Legislative Session of the Louisiana General Assembly.

§ 3712. Purchase of feedstock by operators of renewable fuel manufacturing facilities; notice requirements; annual report

A. The legislature hereby finds and declares that the production of renewable fuels in Louisiana derived from Louisiana feedstock is vital to the health of the agricultural economy of Louisiana. The use of renewable domestic fuels such as ethanol and biodiesel will increase available supplies of motor fuels without increasing dependency on foreign oil. The construction and operation of facilities manufacturing renewable fuels will serve as an economic boost to many rural areas of our state. Assuring that the optimal use of Louisiana grown crops in the manufacturing of renewable fuels by facilities located in Louisiana will provide a deeper, broader and longer-lasting benefit to the state's economy and is a matter of public policy.

B. The purpose of this Chapter is to assure that Louisiana farmers have the opportunity to have Louisiana harvested crops purchased as feedstock by operators of renewable fuels manufacturing facilities in Louisiana by requiring the collection and reporting of information regarding the operation of the facilities and to provide for the certification of the facilities for certain programs provided by this state.

C. The provisions of this Section shall apply to all renewable fuels manufacturing facilities who have either been assigned by the Louisiana Workforce Commission a North American Industrial Classification System code within the nonpotable ethyl alcohol manufacturing Sector 325193 or a facility that produces biodiesel or other fuel additives and must register with the United States Environmental Protection Agency according to the requirements of 40 CFR 79.

D. (1) Beginning July 1, 2006, there will be a presumption that renewable fuel plants operating in Louisiana and deriving ethanol from the distillation of corn shall use as feedstock at least twenty percent of the corn crop harvested in Louisiana. In succeeding years, the minimum percentage of Louisiana harvested corn used to produce renewable fuel in Louisiana facilities shall be at least the same percentage of corn used nationally to produce renewable fuel as reported by the United States

Department of Agriculture's Office of the Chief Economist.

(2) Beginning July 1, 2006, there will be a presumption that renewable fuel plants operating in Louisiana and deriving biodiesel from soybeans and other crops shall use as feedstock at least two and a half percent of the soybean crop harvested in Louisiana. In succeeding years, the minimum percentage of Louisiana harvested soybeans presumptively to be used to produce renewable fuel in Louisiana facilities shall be the percentage of soybeans used nationally to produce renewable fuel as reported by the United States Department of Agriculture's Office of the Chief Economist.

(3) As additional crops are used in the production of renewable fuels at facilities in Louisiana, there will be a presumption that renewable fuel plants operating in Louisiana shall use Louisiana harvested crops in a percentage rate at least equal to the percentage of the crops's usage nationally in the production of renewable fuel as reported by the United States Department of Agriculture's Office of the Chief Economist.

(4)(a) In an effort to enable the renewable fuel plants in operation in Louisiana to systematically increase the use of Louisiana crops as feedstock over time as provided in this Subsection, the provisions of R.S. 3:4674, except as it relates to biodiesel, shall not be effective until six months after the average wholesale price of a gallon of Louisiana-manufactured ethanol, less any federal alcohol fuel mixture tax credit, is equal to or below the average wholesale price of a gallon of regular unleaded gasoline in Louisiana for a period of not less than sixty days, as determined by the commissioner of agriculture and forestry.

(b) In gathering pricing information to be used in making the determination required by Subparagraph (a), the commissioner shall rely upon sales in Louisiana and shall utilize recognized information services, including but not limited to the Oil Price Information Service.

(c) The commissioner shall provide public notice of his determination in the Louisiana Register within ten days after the determination is made.

E. To improve dissemination of information regarding supply needs of renewable fuel manufacturing facilities operating in Louisiana and to assure that Louisiana farmers are adequately and timely informed about the feedstock needs of these facilities, the operators of all renewable fuel manufacturing facilities shall, at least one hundred eighty days prior to the start of commercial operation of such facilities, provide notice to the commissioner of agriculture and forestry, the secretary of the Department of Natural Resources and the secretary of the Department of Economic Development.

F. The initial notice shall also contain the anticipated production level for the facility's first twelve months of operation, the amount and type of feedstock anticipated necessary to meet production levels for the first twelve months of operation, the location from where the feedstock originated if already secured, and the steps taken to obtain feedstock from Louisiana harvested crops. The report shall also itemize the federal, state, and local grants, loans or incentive program benefits obtained by the facility obtained for the construction or operation of the facility.

G. By December thirty-first of each calendar year, renewable fuels manufacturers operating in the state shall provide notice to the commissioner of agriculture and forestry of their anticipated production levels

and specific feedstock requirements for the next calendar year so that Louisiana farmers will be able to adjust, if necessary, the crops they intend to plant and harvest during the upcoming growing season.

H. Each renewable fuels manufacturing facility operating in Louisiana shall provide an annual report to the commissioner of agriculture and forestry, the secretary of the Department of Natural Resources and the secretary of the Department of Economic Development certifying that it has purchased all of the competitively priced Louisiana feedstock available during its operations. The report shall also list the production levels for the previous twelve months, the amount and type of feedstock used to achieve the production levels, the location from where the feedstock originated, and the steps taken to obtain Louisiana harvested feedstock. The report shall also itemize the financial benefits the facility has received from the state, including but not limited to: the use of state grants, state assisted financing, participation in the Quality Jobs Program, the Enterprise Zone Program and the 10-Year Industrial Exemption Program.

I. The commissioner of agriculture and forestry shall promulgate rules and regulations with regard to documenting the information supplied by the renewable fuels manufacturing facilities as provided for in this Section.

Credits: Added by Acts 2006, No. 656, § 1, eff. July 1, 2006. Amended by Acts 2013, No. 184, § 6(A).