



States' Biofuels Statutes

STATE OF MISSOURI

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 Missouri General Assembly.

142.028. Definitions--fuel ethanol producer defined--“Missouri qualified producer incentive fund” created, purpose--administration of fund--grants to producers, amount, computation, paid when--application for grant, content, qualifications, bonding--rules authorized

1. As used in this section, the following terms mean:

(1) **“Fuel ethanol”**, a fuel which meets ASTM International specification number D 4806 or subsequent specifications for blending with gasoline for use as automotive spark-ignition engine fuel and where the ethanol is made from cereal grains, cereal grain by-products, or qualified biomass;

(2) **“Fuel ethanol blends”**, a mixture of ninety percent gasoline and ten percent fuel ethanol in which the gasoline portion of the blend or the finished blend meets the ASTM International specification number D 4814;

(3) **“Missouri qualified fuel ethanol producer”**, any producer of fuel ethanol whose principal place of business and facility for the fermentation and distillation of fuel ethanol is located within the state of Missouri and is at least fifty-one percent owned by agricultural producers actively engaged in agricultural production for commercial purposes, and which has made formal application, posted a bond, and conformed to the requirements of this section;

(4) **“Professional forester”**, any individual who holds a bachelor of science degree in forestry from a regionally accredited college or university with a minimum of two years of professional forest management experience;

(5) **“Qualified biomass”**, any wood-derived organic material harvested in accordance with a site specific forest management plan focused for long-term forest sustainability developed by a professional forester and qualified, in consultation with the conservation commission, by the Missouri agricultural and small business development authority.

2. The **“Missouri Qualified Fuel Ethanol Producer Incentive Fund”** is hereby created and subject to

appropriations shall be used to provide economic subsidies to Missouri qualified fuel ethanol producers pursuant to this section. The director of the department of agriculture shall administer the fund pursuant to this section.

3. A Missouri qualified fuel ethanol producer shall be eligible for a monthly grant from the fund, except that a Missouri qualified fuel ethanol producer shall only be eligible for the grant for a total of sixty months unless such producer during those sixty months failed, due to a lack of appropriations, to receive the full amount from the fund for which they were eligible, in which case such producers shall continue to be eligible for up to twenty-four additional months or until they have received the maximum amount of funding for which they were eligible during the original sixty-month time period. The amount of the grant is determined by calculating the estimated gallons of qualified fuel ethanol production to be produced from Missouri agricultural products or qualified biomass for the succeeding calendar month, as certified by the department of agriculture, and applying such figure to the per-gallon incentive credit established in this subsection. Each Missouri qualified fuel ethanol producer shall be eligible for a total grant in any fiscal year equal to twenty cents per gallon for the first twelve and one-half million gallons of qualified fuel ethanol produced from Missouri agricultural products or qualified biomass in the fiscal year plus five cents per gallon for the next twelve and one-half million gallons of qualified fuel ethanol produced from Missouri agricultural products or qualified biomass in the fiscal year. All such qualified fuel ethanol produced by a Missouri qualified fuel ethanol producer in excess of twenty-five million gallons shall not be applied to the computation of a grant pursuant to this subsection. The department of agriculture shall pay all grants for a particular month by the fifteenth day after receipt and approval of the application described in subsection 4 of this section. If actual production of qualified fuel ethanol during a particular month either exceeds or is less than that estimated by a Missouri qualified fuel ethanol producer, the department of agriculture shall adjust the subsequent monthly grant by paying additional amount or subtracting the amount in deficiency by using the calculation described in this subsection.

4. In order for a Missouri qualified fuel ethanol producer to obtain a grant from the fund for a particular month, an application for such funds shall be received no later than fifteen days prior to the first day of the month for which the grant is sought. The application shall include:

- (1) The location of the Missouri qualified fuel ethanol producer;
- (2) The average number of citizens of Missouri employed by the Missouri qualified fuel ethanol producer in the preceding quarter, if applicable;
- (3) The number of bushels of Missouri agricultural commodities or green weight tons of qualified biomass used by the Missouri qualified fuel ethanol producer in the production of fuel ethanol in the preceding quarter;
- (4) The number of gallons of qualified fuel ethanol the producer expects to manufacture during the month for which the grant is applied;
- (5) A copy of the qualified fuel ethanol producer license required pursuant to subsection 5 of this section, name and address of surety company, and amount of bond to be posted pursuant to subsection 5 of this section; and

(6) Any other information deemed necessary by the department of agriculture to adequately ensure that such grants shall be made only to Missouri qualified fuel ethanol producers.

5. The director of the department of agriculture, in consultation with the department of revenue and the department of conservation, shall promulgate rules and regulations necessary for the administration of the provisions of this section. The director shall also establish procedures for bonding Missouri qualified fuel ethanol producers. Each Missouri qualified fuel ethanol producer who attempts to obtain moneys pursuant to this section shall be bonded in an amount not to exceed the estimated maximum monthly grant to be issued to such Missouri qualified fuel ethanol producer.

6. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2002, shall be invalid and void.

7. Notwithstanding any other provision of this section to the contrary, beginning January 1, 2009, through December 31, 2019, the economic subsidies provided under this section to Missouri qualified fuel ethanol producers of fuel ethanol made from qualified biomass shall only be provided to two qualified fuel ethanol producers and shall not cumulatively exceed seven and one-half million dollars per qualified fuel ethanol producer. Prior to January 1, 2009, and after December 31, 2019, Missouri qualified fuel ethanol producers of fuel ethanol made from qualified biomass shall be ineligible for economic subsidies under this section.

Credits: (L.1988, S.B. No. 600, § A, eff. July 1, 1989. Amended by L.1989, S.B. No. 162, § A; L.1993, H.B. No. 611, § A; L.1993, S.B. No. 52, § A; L.1995, S.B. No. 3, § A; L.2002, H.B. No. 1348, § A; L.2002, S.B. Nos. 984 & 985, § A; L.2008, S.B. No. 931, § A.)

142.029. Effective date of section 142.028

Section 142.028 shall expire on December 31, 2015.

Credits: (L.1988, S.B. No. 600, §§ B, C & D. Amended by L.1993, H.B. No. 611, § A; L.1999, H.B. No. 153, § A; L.1999, S.B. No. 310, § A; L.2005, S.B. No. 355, § A.)