



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2009 Assembly Bill 408

**Assembly
Amendment 2**

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Contact: John Stolzenberg, Chief of Research Services (266-2988)

Assembly Bill 408 contains a number of initiatives related to biofuels and feedstocks used to produce biofuels. One of these initiatives expands the agricultural diversification program administered by the Department of Agriculture, Trade, and Consumer Protection (DATCP) to include the promotion of specified products made from agricultural commodities, including alternative fuels made from agricultural source stocks. The bill creates a comparable forestry diversification program administered by the Department of Natural Resources (DNR). The bill also specifies that the agricultural diversification grant program administered by DATCP applies to the development of new forestry products, including alternative fuels.

The bill clarifies that the industrial revenue bond program applies to all types of “biorefineries,” including those that produce a fuel other than an alcohol fuel. This is accomplished by repealing the statute that lists “alcohol fuel production facilities” as a type of project eligible for financing with these bonds and the recognition that other types of currently eligible projects for this financing include “assembling, fabricating, manufacturing, mining, or processing facilities for any products of agricultural, forestry, mining, or manufacture, even though the products may require further treatment before delivery to the ultimate consumer.”

Assembly Amendment 2 modifies the provisions in the bill on the agricultural diversification program, forestry diversification program, and agricultural diversification grant program by clarifying that these programs apply to “gasses, liquid, or solid” fuels made from an agricultural commodity or a forest product rather than “alternative” fuels made from one of these feedstocks.

The amendment also adds the following type of facility to the types of projects eligible for industrial revenue bonds: “nonresidential facilities that use biomass as the primary fuel to produce thermal energy or electricity, or both.” These facilities include, for example, a boiler installed at a paper mill that burns wood pellets to produce steam and electricity.

Legislative History

On October 22, 2009, the Assembly Committee on Renewable Energy and Rural Affairs offered Assembly Amendment 2 to Assembly Bill 408 by unanimous consent; recommended adoption of Assembly Amendment 2 by a vote of Ayes, 13; Noes, 0; Not Voting, 1; and Absent, 1; and recommended passage of Assembly Bill 408, as amended, by a vote of Ayes, 12; Noes, 1; Not Voting, 1; and Absent, 1.

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