Biofuels: Carbon Offset Credits WLC: 0360/1

JES:ty 12/10/2008

1 **AN ACT** to renumber and amend 93.46 (1) (d); and to create 93.46 (1) (d) 1. to 4. and

2 93.46 (1e) of the statutes; **relating to:** the agricultural diversification program.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Joint Legislative Council Prefatory Note: This bill draft was prepared for the Joint Legislative Council's Special Committee on Domestic Biofuels. The bill draft expands the agricultural diversification program administered by the department of agriculture, trade and consumer protection (DATCP) to include the promotion of marketable credits for reducing emissions of greenhouse gases derived from the production of agricultural commodities and forest products (also known as carbon offset credits) and of other types of energy made from these commodities and products, in addition to alternative fuels made from agricultural source stocks. The draft also directs DATCP to promote these new products in cooperation with and with the assistance of the department natural resources and the University of Wisconsin–Extension.

- 3 SECTION 1. 93.46 (1) (d) of the statutes is renumbered 93.46 (1) (d) (intro.) and amended
- 4 to read:
- 5 93.46 (1) (d) Promote and assist the development and use of industrial and commercial
- 6 products from agricultural commodities and forestry products and from the production of
- 7 these commodities and products, including alternative fuels produced from agricultural
- 8 source stocks.:

COMMENT: Section 93.46 (1) contains the agricultural diversification program.

- 9 Section 2. 93.46 (1) (d) 1. to 4. of the statutes are created to read:
- 93.46 (1) (d) 1. Alternative fuels, including fuels subject to the renewable fuel program
- 11 under 42 USC 7545 (o).
- 12 2. Heat.

3. Electricity, including electricity subject to s. 196.378 (2). 1 2 4. Marketable credits for reducing emissions of greenhouse gases, as defined in s. 3 285.78 (1) (c), derived from appropriate management practices used in the production of the 4 agricultural commodity or forest product. **COMMENT:** The renewable fuel program referenced in subd. 1. is the federal renewable fuels standard. The reference in subd. 3. is to the state renewable portfolio standard applicable to electricity sold by retail electric utilities and cooperatives. 5 **SECTION 3.** 93.46 (1e) of the statutes is created to read: 6 93.46 (1e) The department shall promote and assist the development and use of the 7 products identified in sub. (1) (d) 1. to 4. in cooperation with and with the assistance of the 8 department of natural resources and the University of Wisconsin-Extension.

(END)

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