

HCS HB 709 -- QUALIFIED BIO-MASS

SPONSOR: Quinn, 7 (Dethrow)

COMMITTEE ACTION: Voted "do pass" by the Committee on Agriculture Policy by a vote of 10 to 0.

This substitute adds qualified bio-mass to Missouri agricultural products used in the production of fuel ethanol by Missouri qualified fuel ethanol producers. Beginning January 1, 2008, through December 31, 2018, Missouri qualified fuel ethanol producers producing fuel ethanol from qualified bio-mass will be eligible to receive grants from the Department of Agriculture. The aggregate amount of the grants is not to exceed \$10 million per year.

FISCAL NOTE: Estimated Income on General Revenue Fund of \$2,500,000 in FY 2008, \$5,625,000 in FY 2009, and \$5,541,667 in FY 2010. No impact on Other State Funds in FY 2008, FY 2009, and FY 2010.

PROPONENTS: Supporters say that qualifying bio-mass as a feed stock for the production of cellulosic ethanol could provide Missouri with a viable market for forest thinning, organic municipal wastes, and certain grass varieties and crop wastes. If 85% of Missouri forests which have no forest management plan are not managed for sustainability, the growth of valuable hardwood is hindered. The economic activity generated by Missouri forest products is currently approximately \$4.4 billion yearly. This amount could be triple through sustainable forest management practices coupled with cellulosic ethanol production.

Testifying for the bill were Representative Dethrow; Brian Brookshire, Missouri Forest Products Association; Scott Brundage, Missouri Consulting Foresters Association; Dr. Garrett, University of Missouri; Missouri Agriculture Industries Council; Department of Conservation; Missouri Agricultural and Small Business Authority, Department of Agriculture; and Missouri Farm Bureau.

OPPONENTS: There was no opposition voiced to the committee.