



Sen. Michael Noland

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LRB096 05586 JDS 23322 a

1 AMENDMENT TO SENATE BILL 293

2 AMENDMENT NO. _____. Amend Senate Bill 293 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Renewable Fuels Development
5 Program Act is amended by changing Sections 15, 20, and 25 and
6 by adding Sections 15.1, 15.2, 15.3, and 15.4 as follows:

7 (20 ILCS 689/15)

8 Sec. 15. Illinois Renewable Fuels Development Program.

9 (a) The Department must develop and administer the Illinois
10 Renewable Fuels Development Program to assist in the
11 construction, modification, alteration, or retrofitting of
12 renewable fuel plants in Illinois. The recipient of a grant
13 under this Section must:

14 (1) be constructing, modifying, altering, or
15 retrofitting a plant in the State of Illinois;

16 (2) be constructing, modifying, altering, or

1 retrofitting a plant that has a base total annual
2 production capacity of no less than 20,000,000 ~~30,000,000~~
3 gallons of renewable fuel per year; and

4 (3) enter into a project labor agreement as prescribed
5 by Section 25 of this Act.

6 (b) Grant applications must be made on forms provided by
7 and in accordance with procedures established by the
8 Department.

9 (c) The Department must give preference to applicants that
10 use Illinois agricultural products in the production of
11 renewable fuel at the plant for which the grant is being
12 requested.

13 (d) Grant recipients under this Program shall be:

14 (1) awarded a grant equal to a minimum of 4 cents per
15 gallon of annual production capacity but no more than
16 \$5,000,000 for each facility that produces biodiesel and no
17 more than \$10,000,000 for each facility that produces any
18 other type of renewable fuel; and

19 (2) eligible for additional incentives beyond those
20 otherwise mentioned in this Act for facilities utilizing
21 technologies that increase the overall efficiency of the
22 renewable fuel production process or reduce the overall
23 full life-cycle greenhouse gas emissions of the renewable
24 fuel produced, including, but not limited to, processes
25 that:

26 (1) improve water conservation;

1 (2) improve energy conservation;

2 (3) add value to bio-fuel co-products and
3 bi-products;

4 (4) utilize corn fiber conversion;

5 (5) utilize fractionation; or

6 (6) utilize cellulosic conversion.

7 (Source: P.A. 93-15, eff. 6-11-03.)

8 (20 ILCS 689/15.1 new)

9 Sec. 15.1. Renewable Fuels Majority Blended Ethanol
10 Infrastructure Program. The Department must, subject to
11 appropriation, establish and administer the Renewable Fuels
12 Majority Blended Ethanol Program to encourage the
13 construction, installation, and marketing of majority blended
14 ethanol, as defined in Section 3-44 of the Use Tax Act. The
15 Renewable Fuels Majority Blended Ethanol Program shall provide
16 financial assistance for units of local government and
17 petroleum distribution centers to install the necessary
18 infrastructure for the use of majority blended ethanol.

19 The Program shall be for the purpose of providing grants to
20 units of local government and motor fuel delivering suppliers,
21 as defined in Section 5-5 of the Gas Use Tax Law, that operate
22 or will be operating majority blended ethanol fueling
23 distribution infrastructure. A unit of local government
24 applying for a grant under this program shall receive a
25 matching grant equaling 50% of the total cost of installation

1 of a majority blended ethanol distribution pump, but not to
2 exceed \$40,000. Delivering suppliers shall be eligible to
3 receive a matching grant equal to 50% of the cost of
4 installation per pump location, but not to exceed a total of
5 \$250,000 in grants annually for each delivering supplier for
6 locations in the supplier's ownership and control. The
7 recipient of a grant under this Section must enter into a
8 project labor agreement as provided in Section 25 of this Act
9 if the recipient plans to install majority blended ethanol
10 distribution pumps at 3 or more locations. Grant applications
11 shall be submitted on forms prescribed by the Department. The
12 Department shall have the authority to adopt rules and forms as
13 it deems necessary for the implementation of this Section.

14 (20 ILCS 689/15.2 new)

15 Sec. 15.2. Illinois Renewable Fuels Competitive
16 Commercialization Program. The Department shall, subject to
17 appropriation, develop and administer a grant program to assist
18 members of the Illinois Corn Grain to Fuel Research Consortium
19 in research and support efforts on behalf of corn kernel to
20 fuel alcohol and value added co-products, corn stover to fuel
21 alcohol, and cellulosic fuel alcohol production. The
22 Department shall solicit proposals for funding if they provide
23 for research in the Consortium member's own laboratories, for
24 research collaborations among Consortium members, or for
25 members outside the Consortium conducting pilot testing at the

1 National Corn-to-Ethanol Research Center. Preference will be
2 given to projects in partnership with industry or for
3 pilot-scale demonstration projects that advance Illinois
4 leadership in the development of a bio-based economy.

5 (20 ILCS 689/15.3 new)

6 Sec. 15.3. Renewable Fuels Rail Infrastructure Assistance
7 Program. The Department must, subject to appropriation,
8 establish and administer the Renewable Fuels Rail
9 Infrastructure Assistance Program to assist in the
10 construction and installation of (i) railroad side track and
11 turnouts to provide rail service to renewable fuels facilities,
12 (ii) side track and turnouts for railroad storage and
13 collection areas for renewable fuels and renewable fuel inputs,
14 and (iii) side track, turnouts, and other necessary
15 infrastructure for container shipping of renewable fuel and
16 renewable fuel co-products. Only one grant for the purpose
17 stated under item (iii) of this Section shall be awarded each
18 year. The recipient of a grant under this Section must enter
19 into a project labor agreement for the rail infrastructure
20 project as provided in Section 25 of this Act. Grant
21 applications shall be submitted on forms prescribed by the
22 Department.

23 (20 ILCS 689/15.4 new)

24 Sec. 15.4. Renewable Fuels Technology Program. To provide

1 incentives to existing ethanol production facilities to reduce
2 their water and energy usage to better manage our resources and
3 reduce carbon emissions, ethanol facilities modifying their
4 production process or incorporating new technologies in their
5 new construction are also eligible for the following funding:

6 (1) A grant of 10% up to \$2,500,000 of the additional costs
7 of reducing their net water usage to 2.8 gallons of water per
8 gallon of ethanol.

9 (2) A grant of 10% up to \$4,000,000 of the costs to reduce
10 by 20% the natural gas required to produce a gallon of absolute
11 ethanol using a base energy requirement for a dry mill natural
12 gas fired ethanol plant of 34,500 BTUs per gallon of ethanol.

13 (3) A grant of 10% up to \$2,500,000 of the costs to add a
14 co-generation system designed to provide the electrical needs
15 of the facility.

16 (20 ILCS 689/20)

17 Sec. 20. Grants. Subject to appropriation, the Director is
18 authorized to award Renewable Fuels Development Program Fund
19 grants to eligible applicants. The annual aggregate amount of
20 grants awarded under this Section is subject to the following
21 limits:

22 (1) grants awarded under the Illinois Renewable Fuels
23 Development Program shall not exceed \$25,000,000 annually in
24 fiscal years 2010 and 2014 and \$20,000,000 thereafter.

25 (2) the Illinois Corn Grain to Fuel Research Consortium

1 Assistance Program shall not exceed \$10,000,000 annually, of
2 which no less than \$5,000,000 annually shall be used for corn
3 stover to fuel alcohol and other cellulosic fuel alcohol
4 research.

5 (Source: P.A. 93-15, eff. 6-11-03; 93-618, eff. 12-11-03;
6 94-839, eff. 6-6-06.)

7 (20 ILCS 689/25)

8 Sec. 25. Project labor agreements.

9 (a) The project labor agreement must include the following:

10 (1) provisions establishing the minimum hourly wage
11 for each class of labor organization employee;

12 (2) provisions establishing the benefits and other
13 compensation for each class of labor organization
14 employee; ~~and~~

15 (3) provisions establishing that no strike or disputes
16 will be engaged in by the labor organization employees;
17 ~~and-~~

18 (4) Provisions establishing that no lockout or
19 disputes will be engaged in by the owner of the plant,
20 including any person or entity constructing, modifying,
21 altering, or retrofitting a plant on behalf of the owner,
22 or by a grant recipient under Section 15.1 of this Act,
23 including any person or entity constructing or installing
24 majority blended ethanol infrastructure facilities on the
25 recipient's behalf.

1 A labor organization and the ~~The~~ owner of the plant receiving a
2 grant under Section 15 or 15.3 of this Act ~~and the labor~~
3 ~~organizations~~ shall have the authority to include other terms
4 and conditions as they deem necessary.

5 (b) The project labor agreement shall be filed with the
6 Director in accordance with procedures established by the
7 Department. At a minimum, the project labor agreement must
8 provide the names, addresses, and occupations of the owner of
9 the plant and the individuals representing the labor
10 organization employees participating in the project labor
11 agreement. The agreement must also specify the terms and
12 conditions required in subsection (a).

13 (Source: P.A. 93-15, eff. 6-11-03.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law."