

HCS HB 1002 -- MISSOURI QUALIFIED BIODIESEL PRODUCERS

SPONSOR: Munzlinger (Fisher)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Agri-Business by a vote of 10 to 0.

Currently, a biodiesel producer incentive grant is calculated based on the estimated number of gallons of biodiesel produced from Missouri agricultural products. This substitute removes the instate or Missouri agricultural product origin requirement of at least 51% Missouri producer owned for a renewable fuel production facility to be eligible for the grant.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPOSERS: Supporters say that feed stock processed to make biodiesel that originated in Missouri but is processed in another state requires verification by the out-of-state processor in order for the qualified biodiesel producer to qualify for grants under the Qualified Biodiesel Producer Incentive Program. Processors in other states have no incentive to provide the verification; and therefore, potential biodiesel producers must absorb the cost of transporting feed stock from other parts of the state which hinders potential biodiesel producers from operating facilities in parts of the state where there is not a soybean crushing facility.

Testifying for the bill were Representative Fisher; Missouri Agribusiness Association; and Peter Myers, Great River Cooperative.

OPPOSERS: Those who oppose the bill say that biodiesel incentives should be awarded to qualified biodiesel producers using Missouri agricultural products as feed stock. If non-Missouri feed stock is eligible, there will be the potential for non-Missouri-based agribusinesses to partner with Missouri producers to qualify for biodiesel incentives.

Testifying against the bill was Missouri Soybean Association.

OTHERS: Others testifying on the bill say that currently biodiesel production facilities must be at least 51% Missouri producer owned or at least 80% of the feed stock used to produce biodiesel must be from Missouri agricultural products to be a qualified biodiesel producer. In either case, feed stock for biodiesel production must be a Missouri agricultural product for producer qualification to receive biodiesel producer incentives.

Testifying on the bill was Department of Agriculture.