

YMCA YOUTH LEGISLATURE OF THE STATE OF MONTANA

House Bill Number 317

Legislative Action:

Introduced by: Katie Hall

House Committee: _____

Authored by: Katie Hall

House: _____

Senate Committee: _____

Delegation: Great Falls

Senate: _____

Governor: _____

Referred to Committee: House Natural Resources & Transportation Committee

1 A BILL FOR AN ACT ENTITLED "AN ACT Creating an alternative energy loan and grant
2 fund supervised by Alternative Energy Board in order to support and fund the development of
3 alternative forms of energy in Montana."

4 BE IT ENACTED BY THE MONTANA YMCA YOUTH LEGISLATURE:

5 **Whereas:**

- 6 (1) Relying on foreign oil hurts our state's economy, citizens, and businesses;
- 7 (2) Experts tell us that the global oil shortage will only worsen, making the summer of
- 8 2006, three dollars per gallon for gasoline, seem affordable;
- 9 (3) Instead of leaving our economy at the mercy of global events, and the policies of
- 10 foreign nations, Montana should adopt a policy of energy independence;
- 11 (4) Each year, citizens and businesses in Montana spend billions of dollars on gasoline
- 12 and diesel, with those funds drained from the state economy.
- 13 (5) The biofuels industry is a new and developing industry now limited by the availability
- 14 of capital for construction of facilities for converting farm and forest products into energy
- 15 and fuels; and

16 **Section 1:** Purpose:

- 17 (1) Lead Montana toward energy independence;
- 18 (2) Produce more alternative energy sources in state that are cleaner and renewable which
- 19 includes, but is not limited to, biofuels, solar power, and wind power;
- 20 (3) Reduce Montana's dependence on imported oil,
- 21 (4) Expand renewable fuel production and use in Montana,
- 22 (5) Improve use of renewable energy and energy efficiency measures,
- 23 (6) Promote sustainable rural economic development by creating new jobs and
- 24 stimulating business and economic activity in local communities across Montana.

25 **Section 2:** Create Alternative Energy Board to exercise the powers granted under this chapter.

- 26 (1) Membership: Alternative Energy Board consists of thirteen members as follows:
- 27 (a) One member shall be the director of the State Department of Agriculture or the
- 28 director's designated representative;
- 29 (b) Four of the members shall be appointed by the legislature: One member from
- 30 each of the two major caucuses of the House of Representatives as appointed by
- 31 the Speaker of the House. One member from each of the two major caucuses of
- 32 the Senate; senators as appointed by the President of the Senate; and

33 (c) Eight members appointed by the governor: Members should consist of state
34 farmers and growers; prominent businessmen from the state; and experts in
35 renewable energy.

36 (2) Terms served: Alternative Energy Board members appointed under subsection (1)(b)
37 and (c) of this section will initially serve terms as follows:

38 (a) Eight governor appointees: two-year terms,

39 (b) Two House appointees : three-year terms,

40 (c) Two Senate and Chair appointees: four-year terms

41 (d) Thereafter, each succeeding term is four years.

42 (e) Appointees may be reappointed to serve more than one term.

43 (3) Compensation: Members of the board receive no compensation but shall be
44 reimbursed for travel expenses.

45 **Section 3.** Alternative Energy Board shall:

46 (1) Establish a competitive process to solicit proposals for and prioritize project
47 applications for potential funding.

48 (2) Adopt rules for distribution of grants and loans.

49 (3) Report annually to the Governor and appropriate standing committees of the
50 Legislature.

51 **Section 4.** Alternative Energy Board duties:

52 (1) The Alternative Energy Board is authorized to make low- interest loans and grants for
53 the purposes of assisting political subdivisions in financing the cost of renewable energy
54 and biofuel development projects and activities.

55 (2) Applications for loans and grants must be made in the form and manner as the board
56 may prescribe.

57 (3) The board may provide financial assistance for the following types of projects and
58 activities including, but not limited to:

59 (a) Conduct research and development of new and renewable energy and biofuel
60 sources including but not limited to biomass, solar, and wind power;

61 (b) Renewable energy and biofuel development infrastructure and facilities; and

62 (c) Research and development to develop markets for alternative fuel byproducts.

63 (4) The board may defer loan repayment for up to twelve months or until the projects
64 start to receive revenue from operations, whichever is sooner.

65 **Section 5.** Alternative Energy Board loans and grants funding:

66 (1) The alternative energy loans and grant fund will be allotted 20 million dollars from
67 the general fund in order to finance the alternative energy program.

68 (2) State Treasurer will create and supervise the alternative energy loan account.

69 (a) All loan payments and donations must be deposited into the account.

70 (b) Expenditures from the account may be used only for loans and grants to
71 political subdivisions for renewable energy and biofuel development projects
72 and other authorized activities.

73 **Section 6.** Effective date: This bill is to go into effect January 1, 2008.

74 -end-