

**SENATE . . . . . No.**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

**Robert A. O'Leary**

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

**An Act Relative to Biofuels.**

PETITION OF:

NAME:

Robert A. O'Leary

DISTRICT/ADDRESS:

Cape and Islands

# The Commonwealth of Massachusetts

\_\_\_\_\_  
In the Year Two Thousand and Nine  
\_\_\_\_\_

## AN ACT RELATIVE TO BIOFUELS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 62 of the general laws, as appearing in the 2006 official edition, is hereby  
2 amended by adding, after section 64 the following new section: -

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4           Section 65. (A) There shall be allowed to any producer of biofuels as a credit against any tax liability  
5 imposed under this chapter, a credit for each gallon of biofuel produced at a biofuel plant on or after  
6 January 1, 2009, equal to 15 cents per gallon after the production of the first 40,000 gallons per year  
7 presented to market. The credit under this section shall be capped at \$2,500,000 dollars per taxpayer per  
8 taxable year for up to no more than four consecutive taxable years per biofuel plant.

9

10           (B) A taxpayer engaged in the production of biofuels who is claiming a credit under this section shall  
11 provide information to the commissioner of the department of environmental protection regarding the  
12 biofuel being produced, including the quantity of biofuel products, the type of raw material being utilized,  
13 the nature and composition of the biofuel being produced, the proportion and composition of any non-  
14 biofuel with which the biofuel is blended, the heating value of the biofuel as compared to the BTU value  
15 of one gallon of gasoline and the type of application for which it is intended to be used. Upon review of  
16 the information, the commissioner of the department of environmental protection shall provide the  
17 taxpayer with a letter of certification stating that the biofuel produced during the taxable year is eligible  
18 for a tax credit under this section and stating the number of gallons of biofuel produced during the taxable  
19 year.

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21 SECTION 2. For the purposes of Section 3, "Clean Alternative Fuel Vehicle" shall mean any new  
22 passenger vehicle or light-duty truck certified by the commissioner of the department of environmental  
23 protection to run on a clean alternative fuel. Clean alternative vehicles include, but are not limited to the  
24 following:

25 (1) Hybrid vehicles

26 (2) Plug-in electric hybrid vehicles with a minimum of 20 miles all electric range or that meet minimum  
27 specifications established by the Department of Energy Resources.

28 (3) Flexible fuel vehicles (FFVs).

29 (4) Compressed natural gas (CNG) vehicles.

30 (5) Liquid propane gas (LPG) vehicles.

31 (6) Hydrogen fuel cell vehicles (HFCVs).

32 SECTION 3. The commissioner shall develop, and by January 1, 2010, adopt, regulations that shall  
33 become operative no later than January 1, 2011, that will ensure that, commencing January 1, 2015, one-  
34 half of new passenger vehicles and light-duty trucks sold in the commonwealth are alternative fuel  
35 vehicles.

36 In developing these regulations, the commissioner shall do the following:

37 (1) Consider the technological and economic feasibility of the regulations.

38 (2) Develop and enforce compliance options for eligible clean alternative vehicles.

39 (3) Ensure, to the extent technologically and economically feasible, that a clean alternative fuel is made  
40 available statewide at retail outlets whenever the commissioner determines that a sufficient number of  
41 motor vehicles certified by the commissioner to

42 run on that fuel has been reached.

43

44 The regulations adopted pursuant to this section shall apply only to a motor vehicle manufactured after  
45 December 31, 2011.