

The House Committee on Natural Resources and Environment offers the following substitute to SB 157:

A BILL TO BE ENTITLED
AN ACT

1 To provide for grants to persons to finance installing, replacing, and converting motor fuel
2 storage equipment to facilitate storing and dispensing E-85 gasoline for retail sale; to amend
3 Chapter 8 of Title 50 of the Official Code of Georgia Annotated, relating to the Department
4 of Community Affairs, so as to establish such grant program under the department and
5 pursuant to contract with the Georgia Environmental Facilities Authority; to define certain
6 terms; to provide legislative findings and declarations; to provide for rules and regulations;
7 to provide an effective date; to provide for a limited period; to repeal conflicting laws; and
8 for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Chapter 8 of Title 50 of the Official Code of Georgia Annotated, relating to the Department
12 of Community Affairs, is amended by enacting a new Article 7 to read as follows:

13 "ARTICLE 7

14 50-8-170.

15 (a) As used in this Code section, the term:

16 (1) 'Board' means the Board of Community Affairs.

17 (2) 'Department' means the Department of Community Affairs.

18 (3) 'E-85 gasoline' means a blend of ethanol and gasoline that by volume consists of not
19 less than 70 percent nor more than 85 percent ethanol which meets the American Society
20 of Testing and Materials (ASTM) D5798-99 Standard Specification for Fuel Ethanol for
21 Automotive Spark-Ignition Engines.

22 (4) 'E-85 project' means installing, replacing, or converting motor fuel storage and
23 dispensing equipment at sites where motor fuel is stored and dispensed for retail sale such
24 that the installed, replacement, or converted equipment shall be used exclusively for

1 storing and dispensing E-85 gasoline for retail sale for a period of not less than five
2 consecutive years.

3 (5) 'Gasoline' has the meaning provided by Code Section 48-9-2.

4 (6) 'Motor fuel' has the meaning provided by Code Section 48-9-2.

5 (7) 'Motor fuel storage and dispensing equipment' means tanks, pumps, dispensers, pipes,
6 hoses, tubes, lines, fittings, valves, filters, seals, covers, and other associated equipment
7 used in storing and dispensing motor fuel for retail sale.

8 (8) 'Retail sale' means the sale for consumption, and not for resale, at a retail outlet
9 serving the motoring public.

10 (b) The General Assembly finds and declares that facilitating E-85 projects through a
11 program established by the department would return a substantial benefit to the state by
12 promoting investment of private capital to provide improved air quality in this state through
13 reduction of combustion of gasoline in motor vehicles; aid compliance with federal air
14 quality standards; promote the use of alternative domestic fuels that reduce dependence on
15 foreign petroleum supplies; and enable increased availability of motor fuels crucial to the
16 state's economy, welfare, and public safety, which may be especially critical in times of
17 natural disaster or international crisis.

18 (c) The department shall establish a grant program to fund the costs of E-85 projects,
19 subject to availability of funds. The department shall enter into an intergovernmental
20 contract with the Georgia Environmental Facilities Authority for purposes of developing,
21 implementing, and administering such program and disbursing any grant moneys
22 thereunder, and the authority is authorized to and shall develop, implement, and administer
23 such program and disburse any grant moneys subject to the following minimum criteria:

24 (1) Each grant applicant shall submit a project plan that shall be subject to approval by
25 the Georgia Environmental Facilities Authority;

26 (2) A grant for any approved project shall not exceed \$20,000.00 or 33 1/3 percent of the
27 planned cost of the project, whichever is less, and the applicant shall be required to pay
28 the remainder of the project cost. This paragraph shall not prohibit the applicant from
29 using grants or loans from federal government or private sources to pay for such
30 remainder of the project cost;

31 (3) Construction for any approved project shall begin not later than six months after the
32 date of the grant;

33 (4) Any approved project shall be completed not later than one year after the date of the
34 grant;

35 (5) A project shall be used for the purposes and period required for such project as
36 specified in paragraph (4) of subsection (a) of this Code section; and

1 (6) Grant money for a project shall be refunded to the state with interest at the legal rate
2 not later than two years after any failure to meet the requirements of paragraph (3), (4),
3 or (5) of this subsection.

4 (d) The Georgia Environmental Facilities Authority shall adopt such rules and regulations
5 as are reasonable and necessary to implement and administer the grant program established
6 under this Code section.

7 (e) No grants shall be made under this Code section on or after July 1, 2009."

8 **SECTION 2.**

9 This Act shall become effective upon its approval by the Governor or upon its becoming law
10 without such approval.

11 **SECTION 3.**

12 All laws and parts of laws in conflict with this Act are repealed.