

110TH CONGRESS
1ST SESSION

S. 1813

To amend the Energy Policy Act of 2005 to provide individuals with an opportunity to participate in the financing or ownership of local biorefineries.

IN THE SENATE OF THE UNITED STATES

JULY 18 (legislative day, JULY 17), 2007

Mr. COLEMAN (for himself and Mr. FEINGOLD) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Energy Policy Act of 2005 to provide individuals with an opportunity to participate in the financing or ownership of local biorefineries.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LOCAL OWNERSHIP OF BIOREFINERIES.**

4 (a) IN GENERAL.—Subtitle A of title II of the En-
5 ergy Policy Act of 2005 (42 U.S.C. 15851 et seq.) is
6 amended by adding at the end the following:

7 **“SEC. 212. LOCAL OWNERSHIP OF BIOREFINERIES.**

8 “(a) DEFINITIONS.—In this section:

1 “(1) BIOREFINERY.—The term ‘biorefinery’ has
2 the meaning given the term in section 9003(b) of
3 the Farm Security and Rural Investment Act of
4 2002 (7 U.S.C. 8103(b)).

5 “(2) ELIGIBLE PURCHASER.—The term ‘eligible
6 purchaser’, with respect to a biorefinery, means—

7 “(A) a natural person with a principal resi-
8 dence that is located not more than 50 miles
9 from the biorefinery; or

10 “(B) a farmer or rancher cooperative.

11 “(b) REQUIREMENT.—

12 “(1) IN GENERAL.—Subject to paragraphs (2)
13 and (3), in the case of a biorefinery that is financed,
14 refinanced, or financially supported, in whole or in
15 part, using a loan, loan guarantee, or grant made by
16 a Federal agency on or after the date of enactment
17 of this section, as a condition of the receipt of the
18 loan, loan guarantee, or grant, the recipient shall
19 provide eligible purchasers with an opportunity to
20 participate in the financing or ownership of the bio-
21 refinery in accordance with this section.

22 “(2) FARMERS AND RANCHER COOPERA-
23 TIVES.—

24 “(A) IN GENERAL.—If the recipient of a
25 loan, loan guarantee, or grant made by a Fed-

1 eral agency under paragraph (1) is a farmer or
2 rancher cooperative, the requirement described
3 in paragraph (1) is fulfilled.

4 “(B) AUTHORITY OF FARMER AND RANCH-
5 ER COOPERATIVE.—A farmer or rancher coop-
6 erative described in subparagraph (A) may pro-
7 vide eligible purchasers with an opportunity to
8 participate in the financing or ownership of the
9 biorefinery in accordance with this section.

10 “(3) LEVEL OF FEDERAL SUPPORT.—Para-
11 graph (1) shall apply to a biorefinery only if not less
12 than 3 percent of the total amount of funds that is
13 used to finance, refinance, or financially support the
14 biorefinery is derived from Federal funds.

15 “(c) TERMS AND CONDITIONS.—To be eligible to re-
16 ceive a loan, loan guarantee, or grant from a Federal
17 agency in connection with a biorefinery, the recipient—

18 “(1) during the 60-day period beginning on the
19 date of receipt of the loan, loan guarantee, or grant
20 by the recipient, shall permit eligible purchasers to
21 participate in the financing or ownership of the bio-
22 refinery on the conditions that—

23 “(A) eligible purchasers, collectively, be al-
24 lowed to invest not less than 40 percent of the
25 projected total amount of non-Federal funds

1 that will be used to construct or expand the bio-
2 refinery; and

3 “(B) an individual eligible purchaser be al-
4 lowed to invest not more than 2.5 percent of
5 the projected total amount of non-Federal
6 funds that will be used to construct or expand
7 the biorefinery;

8 “(2) shall provide to eligible purchasers com-
9 petitive terms and conditions that are no less favor-
10 able than the terms and conditions that are offered
11 for funding for similar recipients or classes of recipi-
12 ents or, if there are no similar recipients or classes
13 of recipients, other entities with similar risk charac-
14 teristics, as determined by the Secretary;

15 “(3) if the amount of funding offered by eligible
16 purchasers for a biorefinery exceeds the amount that
17 is solicited by a recipient, may—

18 “(A) accept all such offered amounts; or

19 “(B) award the amounts on a competitive
20 basis; and

21 “(4) shall conduct the financing or refinancing
22 of the biorefinery in accordance with Federal law
23 (including Federal law governing securities).”.

○