



Agriculture & Rural Affairs Committee

Senator Mike Brubaker, Chairman

Room 16 East Wing - Senate Box 203036

Harrisburg, PA 17120-3036

(717) 787-4420

(717) 783-3156 (fax)

SenateAgRuralAffairs@pasen.gov

Kristin J. Crawford, Executive Director

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SENATE BILL: 698

PRINTER'S NUMBER: 821

PRIME SPONSOR: WAUGH

SUMMARY:

This bill establishes the Pennsylvania Farms to Fuels Initiatives Act to encourage agricultural operations to plant and harvest bioenergy crops, perennial trees or plants that can be grown to provide raw renewable biomass energy or biofuels, both to protect the environment and to serve as a resource for fuel. The Secretary of Agriculture will determine which crops meet the definition of a bioenergy crop under this legislation.

Growers meeting the eligibility criteria will receive a bioenergy crop transition incentive payment of \$150/acre for the first year's harvest, \$100/acre for the second year's harvest and \$50/acre for the third year's harvest, capped at \$100,000 per participant. Agricultural operations meeting the definition of "agricultural operations" in §1702-E of the Tax Reform Code (Act 2 of 1971), which is: the property on which occur the management and use of farming resources for the production of crops, livestock or poultry or for equine activity. Producers are required to have (and be implementing) a current conservation plan with the USDA, NRCS.

The Department of Agriculture is required to administer the program and \$10,000,000 is appropriated to the Department for the purposes of the act; up to 2% may be used for administration of the program. 10% of the funds shall be transferred to the Conservation District Fund for distribution to conservation districts that provide technical assistance for the implementation of this act. The Department is required to submit an annual report.

This act shall take effect immediately.