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BILL ANALYSIS

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House Bill 5181 (as passed by the House)
Sponsor: Representative Jeff Mayes
House Committee: Agriculture
Senate Committee: Technology and Energy

Date Completed: 5-24-06

CONTENT

The bill would create the "Fuels of the Future Commission Act" to establish the Fuels of the Future Commission within the Michigan Department of Agriculture (MDA); and require the Commission to investigate and make recommendations to the Governor and the Legislature regarding alternative fuels. The proposed Act would be repealed on January 1, 2010.

The Commission would have to investigate and recommend strategies that the Governor and the Legislature could implement to promote the use of alternative fuels and encourage the use of vehicles that used alternative fuels. The Commission also would have to identify mechanisms that promoted alternative fuel research.

Additionally, the Commission would have to identify mechanisms that promoted effective communication and coordination of efforts between the State and local governments, private industry, and institutes of higher education concerning the investigation of, research into, and promotion of alternative fuels.

The Commission could review any State regulation that could hinder the use, research, and development of alternative fuels and vehicles able to use them and recommend changes to the Governor.

The Commission would have to consist of the following members:

- The MDA Director or his or her designee.
- One member representing the Michigan Economic Development Corporation.
- One member representing the Department of Labor and Economic Growth.
- At least one member from the largest organization in the State representing corn producers exclusively.
- At least one member from the largest organization in the State representing soybean producers exclusively.
- One representative of automotive fuel blenders in Michigan.
- One representative of retail petroleum sellers in Michigan.
- One representative of biodiesel producers.
- One representative of ethanol producers.
- One representative of environmental organizations.
- Three representatives of the automotive manufacturing industry.
- Three representatives of Michigan colleges and universities engaged in alternative fuel research.
- Any other member whom the Governor concluded was necessary to further the Commission's purposes.

The MDA Director would have to serve as the chair of the Commission.

Within one year after the bill's effective date, the Commission would have to issue to the Legislature and the Governor a written report on its investigation and recommendations. Follow-up reports would have to be issued at least annually, and could be issued more frequently if the Commission deemed it advisable.

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Bruce Baker