



General Assembly

January Session, 2025

Raised Bill No. 1291

LCO No. 4309



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:
(ET)

***AN ACT CONCERNING GRANTS FOR QUALIFIED RENEWABLE
DIESEL PRODUCERS AND DISTRIBUTORS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-324 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2025*):

3 For the purposes of this section and sections 32-324a to 32-324f,
4 inclusive, as amended by this act:

5 (1) "Biodiesel" means a fuel comprised of mono-alkyl esters of long
6 chain fatty acids derived from vegetable oils or animal fats, designated
7 B100, and meeting the requirements of designation D6751 of the
8 American Society for Testing and Materials.

9 (2) "Qualified biodiesel producer" means an entity that is: (A)
10 registered with the state of Connecticut, [is] (B) domiciled in
11 [Connecticut] the state, and [is] (C) actively engaged in, or intends to
12 actively engage in, the production of biodiesel in [Connecticut] the state
13 for commercial purposes.

14 (3) "Qualified biodiesel distributor" means an entity that is: (A)
15 registered with the state of Connecticut, [is] domiciled in [Connecticut]
16 the state, and [is] (C) actively engaged in, or intends to actively engage
17 in, the storage and distribution of biodiesel in [Connecticut] the state for
18 commercial purposes.

19 (4) "Renewable diesel" means a fuel produced from nonpetroleum
20 renewable sources, such as vegetable oils and animal fats with chemical
21 and structural properties similar to petroleum-derived diesel fuels, that
22 meets the federal registration requirements for fuels and fuel additives
23 and the ASTM D975-21 Standard Specification for Diesel Fuel.

24 (5) "Qualified renewable diesel producer" means an entity that is: (A)
25 Registered with the state of Connecticut, (B) domiciled in the state, and
26 (C) is actively engaged in, or intends to actively engage in, the
27 production of renewable diesel in the state for commercial purposes.

28 (6) "Qualified renewable diesel distributor" means an entity that is:
29 (A) Registered with the state of Connecticut, (B) domiciled in the state,
30 and (C) actively engaged in, or intends to actively engage in, the storage
31 and distribution of renewable diesel in the state for commercial
32 purposes.

33 Sec. 2. Section 32-324a of the general statutes is repealed and the
34 following is substituted in lieu thereof (*Effective October 1, 2025*):

35 (a) There is established an account to be known as the "Connecticut
36 qualified biodiesel and renewable diesel producer incentive account",
37 which shall be a separate, nonlapsing account within the General Fund.
38 The account shall contain any moneys required by law to be deposited
39 in the account. The account may contain any moneys available from any
40 agency or department of the federal government or any state agency for
41 the purpose described in subsection (b) of this section. Said account shall
42 not terminate upon the lack of any funds in said account.

43 (b) The moneys in said account shall be expended by the Department

44 of Economic and Community Development for the purpose of
45 administration of the program and providing grants to qualified
46 biodiesel and renewable diesel producers and qualified biodiesel and
47 renewable diesel distributors pursuant to sections 32-324b to 32-324f,
48 inclusive, as amended by this act. For the purposes of implementing this
49 grant, the Commissioner of Economic and Community Development
50 may enter into an agreement, in accordance with the provisions of
51 chapter 55a, with a person, firm, corporation or other entity.

52 Sec. 3. Section 32-324b of the general statutes is repealed and the
53 following is substituted in lieu thereof (*Effective October 1, 2025*):

54 (a) A qualified biodiesel or renewable diesel producer shall be eligible
55 for not more than sixty monthly grants from the Connecticut qualified
56 biodiesel and renewable diesel producer incentive account, established
57 pursuant to section 32-324a, as amended by this act. The Department of
58 Economic and Community Development, in consultation with the
59 person, firm, corporation or entity selected to implement the grant
60 pursuant to subsection (b) of section 32-324a, as amended by this act, if
61 applicable, shall determine monthly grant amounts by calculating the
62 estimated gallons of biodiesel or renewable diesel produced during the
63 preceding month, as certified by the Commissioner of Economic and
64 Community Development, or a designee, and applying such figure to
65 the per gallon incentive credit established in subsection (b) of this
66 section. For such certification purposes, a qualified biodiesel or
67 renewable diesel producer shall be required to provide the
68 Commissioner of Economic and Community Development only with a
69 certificate of analysis that documents compliance with the critical
70 specifications of the American Society of Testing and Materials or
71 "ASTM" standard D6751 or D975, including, but not limited to, the Tier
72 II biodiesel fuel quality protocol accepted by the Commissioner of
73 Consumer Protection or any other nationally recognized protocol used
74 by the Commissioner of Consumer Protection.

75 (b) Each qualified biodiesel or renewable diesel producer shall be

76 eligible for a total grant in any fiscal year equal to the following
 77 amounts: (1) For the first five million gallons of biodiesel or renewable
 78 diesel produced, thirty cents per gallon; (2) for the second five million
 79 gallons of biodiesel or renewable diesel produced, twenty cents per
 80 gallon; and (3) for the third five million gallons of biodiesel or renewable
 81 diesel produced, ten cents per gallon, except in the event that all moneys
 82 available for such grant program total: (A) Two hundred thousand
 83 dollars or less, not more than twenty cents per gallon regardless of the
 84 number of gallons of biodiesel or renewable diesel produced, and (B)
 85 one hundred thousand dollars or less, not more than ten cents per
 86 gallon, regardless of the total number of gallons of biodiesel or
 87 renewable diesel produced.

88 (c) Biodiesel or renewable diesel produced by a qualified biodiesel or
 89 renewable diesel producer in excess of fifteen million gallons in any
 90 fiscal year shall not be eligible for a grant pursuant to this section.

91 Sec. 4. Section 32-324c of the general statutes is repealed and the
 92 following is substituted in lieu thereof (*Effective October 1, 2025*):

93 To receive a grant pursuant to section 32-324b, as amended by this
 94 act, a qualified biodiesel or renewable diesel producer shall file an
 95 application for such funds not later than fifteen days after the last day
 96 of the month for which the grant is sought. The application shall include,
 97 but not be limited to: (1) The location of the qualified biodiesel or
 98 renewable diesel producer; (2) the number of Connecticut citizens
 99 employed by the biodiesel or renewable diesel producer in the
 100 preceding month; (3) the number of gallons of biodiesel or renewable
 101 diesel produced during the month for which the grant is sought; (4) a
 102 copy of the qualified biodiesel or renewable diesel producer's
 103 Connecticut registration; (5) any other information deemed necessary
 104 by the Commissioner of Economic and Community Development to
 105 ensure that such grants shall be made only to qualified biodiesel or
 106 renewable diesel producers; and (6) satisfactory documentation that the
 107 biodiesel or renewable diesel has a net carbon energy benefit when

108 compared to the fuel it will replace. For purposes of compliance with
109 subdivisions (5) and (6) of this section, a qualified biodiesel or renewable
110 diesel producer shall be required to provide the Commissioner of
111 Economic and Community Development only with a certificate of
112 analysis that documents compliance with the critical specifications of
113 the American Society of Testing and Materials or "ASTM" standard
114 D6751, including, but not limited to, the Tier II biodiesel fuel quality
115 protocol accepted by the Commissioner of Consumer Protection or any
116 other nationally recognized protocol used by the Commissioner of
117 Consumer Protection.

118 Sec. 5. Section 32-324d of the general statutes is repealed and the
119 following is substituted in lieu thereof (*Effective October 1, 2025*):

120 A qualified biodiesel or renewable diesel producer that is not yet
121 actively engaged in the production of biodiesel or renewable diesel shall
122 be eligible for a one-time grant pursuant to section 32-324a as amended
123 by this act, to assist with the initial purchase of biodiesel or renewable
124 diesel production equipment or with the construction, modification or
125 retrofitting of biodiesel or renewable diesel production facilities. Such
126 grant shall be administered to provide such qualified biodiesel or
127 renewable diesel producer with such initial financial assistance and
128 shall not be administered as a reimbursement program. The amount of
129 such grant shall not exceed three million dollars regardless of the
130 number of facilities owned by the qualified biodiesel or renewable diesel
131 producer. The Department of Economic and Community Development,
132 in consultation with the person, firm, corporation or entity selected to
133 implement the grant, shall award such grant to any such qualified
134 biodiesel or renewable diesel producer that is not yet actively engaged
135 in the production of biodiesel or renewable diesel upon the request of
136 such qualified biodiesel or renewable diesel producer provided such
137 qualified biodiesel or renewable diesel producer has a contract or an
138 approved application pending with such department, person, firm,
139 corporation or entity on [May 18, 2010] October 1, 2025.

140 Sec. 6. Section 32-324e of the general statutes is repealed and the
141 following is substituted in lieu thereof (*Effective October 1, 2025*):

142 A qualified biodiesel or renewable diesel distributor shall not be
143 eligible for a grant pursuant to section 32-324a, as amended by this act,
144 for purposes other than to assist with purchasing equipment or
145 constructing, modifying or retrofitting facilities, including, but not
146 limited to, the actual costs of creating storage and distribution capacity
147 for biodiesel or renewable diesel during the month. No grant issued
148 pursuant to said section 32-324a, as amended by this act, shall exceed
149 fifty thousand dollars for any one distributor at any one site. The
150 Department of Economic and Community Development, in
151 consultation with the person, firm, corporation or entity selected to
152 implement the grant pursuant to subsection (b) of section 32-324a, as
153 amended by this act, if applicable, shall create an application process
154 and guidelines for the administration of this grant provision.

155 Sec. 7. Section 32-324g of the general statutes is repealed and the
156 following is substituted in lieu thereof (*Effective October 1, 2025*):

157 The Department of Economic and Community Development shall
158 administer a fuel diversification grant program to provide funding to
159 Connecticut institutions of higher education or Connecticut institutions
160 of agricultural research for purposes which may include, but are not
161 limited to (1) research to promote biofuel production from agricultural
162 products, algae, used cooking oil, animal fats and waste grease, and (2)
163 biofuel quality testing. Said department may enter into an agreement, in
164 accordance with the provisions of chapter 55a, with a person, firm,
165 corporation or other entity to administer such program. The
166 Department of Economic and Community Development, in
167 consultation with such person, firm, corporation or entity, if applicable,
168 shall create guidelines necessary for the administration of the provisions
169 of this section.

170 Sec. 8. Subsection (a) of section 32-324h of the general statutes is

171 repealed and the following is substituted in lieu thereof (*Effective October*
172 *1, 2025*):

173 (a) The Institute for Sustainable Energy shall (1) compile and
174 distribute educational materials regarding biodiesel and renewable
175 diesel to municipalities, local boards of education and private
176 commercial entities to educate future consumers, and (2) establish and
177 administer a Connecticut biodiesel and renewable diesel link program
178 to establish a database of schools, restaurants, institutional cafeterias
179 and other institutions and businesses in the state that produce waste
180 vegetable oil or other comparable food product suitable for conversion
181 to biodiesel and renewable diesel. The database shall be maintained by
182 the Institute for Sustainable Energy and shall be made available to the
183 public on said institute's Internet web site. Businesses interested in
184 selling their waste vegetable oil or other comparable food product to
185 producers of biodiesel and renewable diesel heating and motor vehicle
186 fuel may notify the Institute for Sustainable Energy and have their
187 names, contact information and intentions regarding such businesses
188 placed on said web site. The Institute for Sustainable Energy shall make
189 reasonable efforts to facilitate contact between parties with similar
190 interests.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2025</i>	32-324
Sec. 2	<i>October 1, 2025</i>	32-324a
Sec. 3	<i>October 1, 2025</i>	32-324b
Sec. 4	<i>October 1, 2025</i>	32-324c
Sec. 5	<i>October 1, 2025</i>	32-324d
Sec. 6	<i>October 1, 2025</i>	32-324e
Sec. 7	<i>October 1, 2025</i>	32-324g
Sec. 8	<i>October 1, 2025</i>	32-324h(a)

Statement of Purpose:

To provide grant funding for qualified renewable diesel producers and distributors.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]