

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB ENRC 07-14 "25 by '25" Initiative--Renewable Energy
SPONSOR(S): Environment & Natural Resources Council
TIED BILLS: **IDEN./SIM. BILLS:** SB 1860

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Environment & Natural Resources Council	13 Y, 0 N	Reese	Hamby
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

With the increasing demand for energy in the United States and the desire to reduce reliance on foreign sources, there is new interest in finding sources of energy from non-traditional sectors such as agriculture. The "25 by '25" initiative seeks to have 25 percent of the United States' energy demand in the year 2025 met by various forms of renewable energy, much of which will come from the agriculture. The initiative has a twofold intent: to help ease the United States' reliance on foreign energy, while also adding value to the domestic agriculture and renewable energy sectors. An added incentive is that energy created from these non-traditional methods will decrease the demand for petroleum, allowing a bypass of the environmental effects caused by the burning of fossil fuels.

This proposed resolution seeks the support of the Florida House of Representatives for the "25 by '25" initiative and encourages the production of renewable energy and fuels by farmers and ranchers to help meet future energy needs.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The resolution does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Present Situation:

The "25 by '25" initiative cites some of the major problems currently facing energy consumption in the United States, including:

- The U.S. imports more than 50% of the petroleum it uses, costing \$120 billion per year.
- Two-thirds of the world's oil reserves are located in the Middle East.
- Fossil fuel production and use account for 60% of the greenhouse gas emissions affecting climate change.

The "25 by '25" initiative is a project to involve both the public and private sectors in the pursuit of clean, renewable, and affordable energy that will, in turn, benefit those involved in the agriculture and renewable energy industries. Led by a steering committee composed of 28 current and former federal, state and local government employees and individuals from the private sector, all of whom have extensive backgrounds in agriculture, renewable energy, or both, the initiative seeks to build a coalition between farmers, ranchers, and energy stakeholders and policy makers in federal, state and local government. The steering committee proposes policy recommendations that will focus on five areas:

- Increasing production of renewable energy
- Delivering renewable energy to markets
- Expanding renewable energy markets
- Improving energy efficiency and productivity
- Strengthening conservation of natural resources and the environment

The steering committee for the "25 by '25" initiative seeks federal funding of \$13 billion a year for the next 5 years. The funding will go to programs involved in developing practical solutions for bringing renewable energy into the market. Funding will be divided into farm programs, energy programs, and tax programs. Farm programs' focus will be on increasing the production of bio-fuels, such as ethanol, by increasing the farm production of the commodities from which ethanol is made, such as corn and soybean, while also maintaining crops for the nation's food supply production. Energy programs will fund research into renewable energy sources, such as wind and solar, and the tax segment is to give credits to programs involved in both of the aforementioned efforts. The steering committee projects that by 2025, provided the government funds the listed program areas, the impact of the initiative will be \$700 billion in economic activity and 5.1 million jobs, most of which will be located in rural areas.

Proposed Changes:

This Proposed Council Resolution seeks the support of the Florida House of Representatives for the "25 by '25" initiative and encourages the production of renewable energy and fuels by farmers and ranchers to help meet future energy needs.

C. SECTION DIRECTORY:

N/A

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

It is projected that with receipt of the requested federal government funding, by 2025 the initiative can create \$700 billion in economic activity and 5.1 million jobs, most of which will be in rural areas throughout the nation.

D. FISCAL COMMENTS:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This resolution does not appear to affect municipal or county government.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

N/A

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

None