

Sixtieth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1515

Introduced by

Representatives Monson, Porter

Senator Olafson

1 A BILL for an Act to create and enact a new section to chapter 20.1-02 and a new section to  
2 chapter 54-17 of the North Dakota Century Code, relating to establishment of a private land  
3 open to sportsmen biomass demonstration project and the duty of the industrial commission to  
4 establish a biomass incentive and research program; and to provide an appropriation.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1.** A new section to chapter 20.1-02 of the North Dakota Century Code is  
7 created and enacted as follows:

8 **Private land open to sportsmen program - Biomass demonstration project.** The  
9 department may develop and make available, as part of the broader support for establishment  
10 cost-share provided through the industrial commission, a special demonstration component of  
11 the private land open to sportsmen program to support perennial grass stand establishment of  
12 participating acres in return for public access to hunting and adherence to conservation best  
13 practices, including postseason harvest, minimum stubble height, and nonannual harvest. The  
14 demonstration project may include an evaluation component to assess the effects and  
15 compatibility of perennial biomass harvest with the habitat and public access objectives of the  
16 private land open to sportsmen program.

17 **SECTION 2.** A new section to chapter 54-17 of the North Dakota Century Code is  
18 created and enacted as follows:

19 **Biomass incentive and research program.** The industrial commission may:

- 20 1. Establish an incentive program to assist the agricultural community to demonstrate  
21 the production, harvest, storage, and delivery of a biomass feedstock on a  
22 commercial scale to a private sector end-user.  
23 2. Establish a project on a scale sufficient to enable at least one group of cooperating  
24 agricultural producers, and preferably two groups in different regions of the state,

- 1           to produce, harvest, store, and deliver biomass feedstock to an end-user at
- 2           commercial scale.
- 3           3. Give priority on a perennial grass feedstock due to the state's resource potential,
- 4           although residual feedstocks are eligible for consideration.
- 5           4. Establish procedures for competitive applications by cooperating agricultural
- 6           producers organized through a limited liability corporation, cooperative, or other
- 7           appropriate ownership structure, that can demonstrate in their application the
- 8           commitment of a commercial end-user to purchase the biomass produced and
- 9           adequate technical support to accomplish the biomass production, harvest,
- 10           storage, and delivery to that end-user.
- 11           5. Provide funds for incentives, including producer payments to provide income
- 12           support during the critical biomass stand establishment period of two years without
- 13           harvest, in the case of native grasses, or other perennial biomass crops.
- 14           6. Ensure that activities enumerated in this section qualify for the agriculture
- 15           partnership in assisting community expansion program.
- 16           7. Arrange for the provision of technical assistance services determined by
- 17           participating producers in their application to the industrial commission.
- 18           8. Provide incentive support targeted to producer entities that successfully apply to
- 19           the industrial commission rather than the commercial biomass end-user.
- 20           9. Provide funds for a front-end engineering and design study for a cellulosic ethanol
- 21           and nanowhiskers project.

22           **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the  
23 general fund in the state treasury, not otherwise appropriated, the sum of \$2,500,000, or so  
24 much of the sum as may be necessary, to the industrial commission for the purpose of  
25 establishing a private land open to sportsmen biomass demonstration project and a biomass  
26 incentive and research project, for the biennium beginning July 1, 2007, and ending June 30,  
27 2009.