

## 103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 HB4155

by Rep. Sonya M. Harper

## SYNOPSIS AS INTRODUCED:

New Act

Creates the Agricultural Drought and Climate Resilience Office Act. Establishes the Agricultural Drought and Climate Resilience Office. Provides that the Office may provide voluntary technical assistance, nonregulatory programs, and incentives, including grants, that increase the ability to anticipate, prepare for, mitigate, adapt to, and respond to hazardous events, trends, or disturbances related to drought or the climate. Provides that the Director of Agriculture may promulgate rules necessary for the administration of the Office's assistance, programs, and incentives, including grants. Requires the Director or the Director's designee to conduct a study to examine greenhouse gas reduction and carbon sequestration opportunities in the agricultural sector and in agricultural land management in the State. Includes provisions regarding Office assistance, programs, and incentives; grants; a greenhouse gas offset program; rules; and other Office studies. Defines terms. Effective immediately.

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1 AN ACT concerning State government.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 1. Short title. This Act may be cited as the Agricultural Drought and Climate Resilience Office Act.
- Section 5. Findings. The General Assembly finds that creating a Agricultural Drought and Climate Resilience Office can best address and mitigate agricultural climate-related issues on a wide scale by providing support to and assisting bona fide agricultural producers in implementing practices that minimize the impacts of climate change.
- 12 Section 10. Definitions. As used in this Act:
- "Agrivoltaics" means one or more solar energy generation facility directly integrated with agricultural activities, including crop production, grazing, animal husbandry, apiaries, cover cropping, or production of agricultural commodities for sale in the retail or wholesale market.
  - "Anaerobic digester" means a sealed, oxygen-free tank into which feedstock, such as food waste, animal manure, or wastewater sludge, is placed for anaerobic digestion by microorganisms.
- "Bona fide agricultural producer" means an agricultural

producer that receives a majority of the producer's annual income from agriculture, an agricultural producer that spends more than 1,040 hours per year engaged in agricultural production, or an Illinois business that processes agricultural products and solutions from the solar energy development industry on providing feasible solutions for producing electricity on agricultural lands while contributing ecological and agricultural benefits.

"Department" means the Department of Agriculture.

"Disproportionately impacted area" means a census tract or comparable geographic area that satisfies the following criteria, as determined by the Department of Commerce and Economic Opportunity that meets one or more of the following criteria:

- (1) at least 20% of households in the area fall below the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2);
- (2) 75% or more of the children in the area participate in the National School Lunch Program according to reported statistics from the State Board of Education;
- (3) at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program; or
- (4) the area has an average unemployment rate, as determined by the Illinois Department of Employment

Security, that is more than 120% of the national unemployment, as determined by the United States

Department of Labor, for a period of at least 2 consecutive calendar years preceding the date of when rule goes into effect.

"Dry digester" means an anaerobic digester that processes
feedstock with a low moisture content.

"Floatovoltaics" means one or more solar energy generation facilities placed over, near, or floating on irrigation canals or reservoirs.

"Office" means the Agricultural Drought and Climate
Resilience Office created in this Act.

"Solar energy device" means a device or a structural design feature of a structure that provides for the collection of sunlight and that comprises part of a system for the conversion of the sun's radiant energy into thermal, chemical, mechanical, or electrical energy.

"Solar energy facility" means a facility that uses real and personal property, including, but not limited to, one or more solar energy devices, agrivoltaics, float leaseholds, and easements, to generate and deliver to the interconnection meter any source of electrical, thermal, or mechanical energy in excess of 2 megawatts by harnessing the radiant energy of the sun, including any connected device for which the primary purpose is to store energy, and that is not primarily designed to supply electricity for consumption on site.

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Section 15. Agricultural Drought and Climate Resilience

Office; creation.

There is created in the Department the Agricultural Drought and Climate Resilience Office. The Office may provide voluntary technical assistance, nonregulatory programs, and incentives, including grants, that increase the ability to anticipate, prepare for, mitigate, adapt to, and respond to hazardous events, trends, or disturbances related to drought or the climate. The Office shall advise the Director of Agriculture, other State agencies, and the Governor on the impact to agriculture of drought and climate policies and programs. The Director shall appoint the head of the Office.

13 Section 20. Assistance, programs, and incentives; rules.

The Department shall adopt rules for the administration of the Office's assistance, programs, incentives, including grants. Before adopting the rules, the Director shall convene а stakeholder group, including representatives of organizations whose membership consists of agricultural producers engaged in the production of the top 10 agricultural commodities produced in Illinois, members of the Natural Resources Conservation Department of Enhancement Program, and representatives of the solar energy development industry. The stakeholder group shall advise the Director as to the needs of the agriculture industry to

- respond to and mitigate the impacts of climate change on agricultural production.
  - (b) Except for a program, assistance, incentive, or support administered by the Office to address immediate needs as a result of disaster, including wildfire and drought, a program, assistance, incentive, or support administered by the Office must include new or ongoing demonstration or research projects to demonstrate or study the use of agrivoltaics to:
    - (1) help prepare for and mitigate the impacts that climate change or drought have on agriculture;
      - (2) reduce energy costs in agriculture;
    - (3) improve the economic resilience of agricultural producers;
    - (4) minimize negative environmental impacts of photovoltaic energy production facilities on soil health, native vegetation, State and federal listed species, wildlife migration corridors, and the species, habitats, and ecosystems that are of the greatest conservation need; and
    - (5) provide other statewide environmental benefits, as identified by the Office.
  - (c) In awarding grants, the Office shall give preference to grant applications that propose using grant money to conduct a new or ongoing demonstration or research project as a means to study the potential, benefits, and tradeoffs of agrivoltaics in the State.

Any agrivoltaic study awarded as a grant pursuant to this Section must include findings on the additional costs, including the additional capital and ongoing maintenance costs, for the use of agrivoltaics as compared to traditional photovoltaics. The additional costs must be quantified on both a dollar-per-megawatt and a dollar-per-megawatt-hour basis.

Grants awarded by the Office must pay for implementation of practices to address and mitigate the impacts of climate change or drought on agriculture or provide direct adaptation support for impacted agricultural communities, including mental health resources, conflict resolution assistance, and risk-management guidance. A grant award may pay no more than 5% of administrative expenses incurred by an agricultural producer to implement the practices.

- (d) The Office shall, at least 30 days before opening the grant application process, make available, on its website or the Department's website, information related to the grant program agricultural producers.
- (e) A grant authorized pursuant to this Section must receive final approval by the head of the Office before a final award can be issued.
- (f) The Office shall post on its website or the Department's website all applications for grant awards. Within 15 days after awarding a grant, the Office shall post on its website or the Department's website the name of the individual or entity receiving a grant, the amount of the grant awarded,

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- 1 the project or projects to be funded by the grant, and the
- 2 duration of the grant award.
- 3 Section 25. Greenhouse gas reduction and carbon 4 sequestration study; greenhouse gas offset program.
  - (a) The Director or the Director's designee shall conduct a study to examine greenhouse gas reduction and carbon sequestration opportunities in the agricultural sector and in agricultural land management in the State, including:
    - (1) soil health management practices, including cover cropping, manure management, soil amendments, rotational grazing, rangeland management, low-till and no-till practices, and hedge grows;
      - (2) the use of dry digesters; and
    - (3) the potential for creating and offering a certified greenhouse gas offset program and credit instruments to provide fungible greenhouse gas offsets for agricultural producers and in agricultural land management.

The Director or Director's designee shall conduct the study in consultation with the Illinois Environmental Protection Agency, the Illinois Department of Natural Resources and an institution of higher education with expertise in climate change mitigation, adaptation benefits, and other environmental benefits related to agricultural research.

The study must identify policy mechanisms to avoid the impacts that the use of greenhouse gas offsets by regulated sources could have on disproportionately impacted areas.

The Director or the Director's designee shall submit to the General Assembly:

- (1) a report summarizing the progress on the study on or before October 1, 2024; and
- (2) a final report on the study on or before October 1, 2025. The final report must include any legislative, regulatory, or other recommendations for designing and implementing greenhouse gas reduction and carbon sequestration opportunities for the agricultural sector and in agricultural land management in the State.
- (b) After conclusion of the study under subsection (a), the Office may create a certified greenhouse gas offset program. Credit instruments offered under the program must reflect real, additional, quantifiable, permanent, verifiable, and enforceable reductions in greenhouse gas emissions that are equivalent to the offsets provided and must not require agricultural producers' participation.

Greenhouse gas offsets developed for agricultural producers and in agricultural land management may be used as compliance instruments with the emission reduction obligations established by the Bureau of Air to ensure that the annual, overall, absolute emissions from the source, sector, or group of sources decline consistent with the statewide greenhouse

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- 1 gas emission reduction goals; except that, if the source is
- 2 located in a disproportionately impacted area, the Department
- 3 shall establish by rule an annual, absolute emission reduction
- 4 obligation specific to the source.
- 5 Section 30. Post-Study Rules.
  - (a) Upon conclusion of the study conducted under Section 25, with regard to any recommendations in the study that do not require legislative changes, the Department may adopt joint rules with the Illinois Environmental Protection Agency's Office of Energy and the Illinois Pollution Control Board, may adopt rules to implement the recommendations. Any rules adopted pursuant to this subsection may not participation by agricultural producers in any greenhouse gas offset program or any other greenhouse gas reduction and carbon sequestration programs or mechanisms developed in rule, but the rules may provide incentives to agricultural producers for the producer's voluntary participation in a program or mechanism developed in rule pursuant to this subsection and establish procedures for coordination with other states.
    - (b) Nothing in this Section requires the adoption of rules for greenhouse gas emission offsets or credit mechanisms or to accept any greenhouse gas emission offsets or credit mechanisms as compliance instruments for emission reduction compliance or verification.

1	Section	35.	Other	studies.	The	Office	shall	also	conduct

- 2 the following studies:
- 3 (1) A study examining the effectiveness of grants 4 awarded pursuant to Section 15.
- 5 (2) A feasibility study that examines the use of floatovoltaics in State waterways.
- Section 99. Effective date. This Act takes effect upon becoming law.