



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5068

Introduced 2/8/2024, by Rep. Robert "Bob" Rita

SYNOPSIS AS INTRODUCED:

New Act

Creates the Low Carbon Fuel Standards Program Act. Establishes the Low Carbon Standards Program to be administered by the Illinois Environmental Protection Agency. Provides that the Program shall establish declining carbon intensity standards, expressed in terms of the carbon intensity of transportation fuels, to be achieved during each compliance period. Provides that providers of transportation fuel must demonstrate that the mix of fuels they supply for use in Illinois meets the carbon intensity benchmarks of the program for each annual compliance period. Effective immediately.

LRB103 39405 HLH 69586 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Low
5 Carbon Fuel Standards Program Act.

6 Section 5. Purpose. The purpose of this Act is to
7 establish the Low Carbon Fuel Standards Program in Illinois.
8 The goals of the Program are to reduce greenhouse gas
9 emissions from the transportation sector, to promote the use
10 of cleaner low carbon fuel, and to decrease petroleum
11 dependence.

12 Section 10. Definitions. As used in this Act:

13 "Agency" means the Illinois Environmental Protection
14 Agency.

15 "Carbon intensity" means the greenhouse gas emissions,
16 expressed in terms of metric tons of CO₂ equivalent per unit of
17 energy, associated with the production, transportation, and
18 use of a transportation fuel.

19 "Low carbon fuel" means a transportation fuel with a lower
20 carbon intensity score than the benchmark established by the
21 Agency under the Program.

22 "Program" means the Low Carbon Fuel Standards Program

1 established by this Act.

2 "Transportation fuel" means gasoline, diesel fuel, and
3 their respective substitutes.

4 Section 15. Low Carbon Fuel Standard Program; established.
5 The Low Carbon Fuel Standards Program is hereby established.
6 The Program shall be administered by the Agency.

7 Section 20. Carbon intensity standards. As part of the
8 Program, the Agency shall establish declining carbon intensity
9 standards, expressed in terms of the carbon intensity of
10 transportation fuels, to be achieved during each compliance
11 period. The standards shall be based on a life cycle
12 assessment of the greenhouse gas emissions associated with the
13 production, transportation, and use of the transportation
14 fuel.

15 Section 25. Compliance obligations. Providers of
16 transportation fuel must demonstrate that the fuels they
17 supply for use in Illinois meet the carbon intensity
18 benchmarks of the program for each annual compliance period. A
19 deficit generator meets its compliance obligation by ensuring
20 that the amount of credits it earns or otherwise acquires from
21 another party is equal to or greater than the deficits it has
22 incurred.

1 Section 30. Pathways. The Agency shall establish pathways
2 for low carbon transportation fuels. Pathways may be
3 incorporated from the California Low Carbon Fuel Standard
4 Program or other similar programs.

5 Section 35. Credit and deficit generation. Low carbon
6 fuels with a carbon intensity that is less than or equal to the
7 benchmark established by the Program shall generate credits.
8 Transportation fuels with a carbon intensity that exceeds the
9 benchmark shall generate deficits. Credits and deficits shall
10 be denominated in metric tons of greenhouse gas emissions.

11 Section 40. Rules. The Agency shall adopt rules as are
12 necessary to carry out the provisions of this Act.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.