Virginia Laws and Incentives for Grants

The list below contains summaries of all Virginia laws and incentives related to Grants.

State Incentives

Biofuels Production Grants

The Biofuels Production Incentive Grant Program provides grants to producers of advanced biofuels, specifically fuels derived from any cellulose, hemicellulose, or lignin from renewable biomass or algae. A qualified advanced biofuels producer is eligible for a grant of \$0.125 for each gallon of neat (100%) advanced biofuel sold. A producer of non-advanced biofuels, including biodiesel, green diesel, and ethanol fuel, is eligible for a grant of \$0.10 per gallon of neat biofuel sold in the commonwealth. To qualify, a producer must have begun selling neat biofuels on or after January 1, 2008, and must have produced at least one million gallons of neat biofuels before September 30, 2011. If a producer began selling neat biofuels before January 1, 2008, the producer is only eligible for a grant if its production of neat biofuels for the given calendar year exceeds its production in the 2007 calendar year by at least one million gallons and, in future years, continues to meet or exceed that amount. Each producer is only eligible for six calendar years of grants. This program expires June 30, 2017. (Reference Virginia Code 45.1-393 and 45.1-394)

Clean Energy Manufacturing Grants

The Clean Energy Manufacturing Incentive Grant Program provides financial incentives to clean energy manufacturers, including biofuel producers. A producer is eligible for grant if it commences or expands operations in Virginia on or after July 1, 2011. Producers must make a capital investment greater than \$50 million and create at least 200 full-time jobs that pay at least the prevailing wage. For more information, see the <u>Virginia Department of Mines, Minerals and Energy</u> website. (Reference Virginia Code 59.1-284.26 through 59.1-284.27)

Agriculture and Forestry Biofuel Production Grants

The Agriculture and Forestry Industries Development Fund provides grants to promote and develop the agriculture and forestry industry in Virginia and create or expand value-add facilities, including qualified biofuel production facilities. Individual grants may not exceed \$250,000 or 25% of qualified capital expenditures and are awarded at the governor's discretion. The grants are awarded to local governments and other Virginia political subdivisions working with qualified businesses. Terms and conditions apply, including the use of a minimum percentage of Virginia grown products, matching funds, and performance requirements. For more information, see the <u>Virginia Department of Agriculture and Consumer Services</u> website. (Reference <u>Virginia Code</u> 3.2-304)

Alternative Fuels Grants and Loans

The Alternative Fuels Revolving Fund is used to distribute loans and grants to municipal, county, and commonwealth government agencies to support alternative fuel vehicle (AFV) programs; pay for AFV maintenance, operation, evaluation, or testing; pay for vehicle conversions; or improve alternative fuel infrastructure. Eligible alternative fuels include electricity, hydrogen, and natural gas. Projects with a funding match are given priority in the evaluation process. (Reference Virginia Code 33.1-223.4 and 33.1-223.7)

The AFDC is a resource of the U.S. Department of Energy's Clean Cities program.

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