

State of New Jersey

YMCA Model Legislature

Bill Number: 1

Senate Sponsor:

Billy Daly *

Assembly Sponsor:

Ryan Monahan

Delegation: Cranford High School

1. **AN ACT** to encourage the development of the private green energy industry.
- 2.
3. Be it enacted by the Youth Model Legislature of the State of New Jersey that a
4. government program be initiated through which private businesses and firms can
5. invest in the development of private green energy business in exchange for tax and
6. energy credits.
- 7.
8. Section I: The program shall be facilitated through the creation of a state-directed
9. trust fund to which investor businesses can contribute monetary funds.
10. The funds shall then be redistributed by an independent advisory
11. committee in the form of government loans to private green energy
12. businesses, in order to offset the initial cost of energy production.
- 13.
14. Section II: The advisory committee shall consist of a board of financial advisors and
15. environmental scientists appointed by the state to assess the financial risk
16. and environmental sustainability of each green business applying for a
17. loan, and to distribute these government loans upon their assessment.
- 18.
19. Section III: Businesses entering the program as investors shall be compensated by the

20. government for the full amount of their contribution with a deduction
21. from their taxable income and a renewable energy credit issued at the
22. average New Jersey retail price per kilowatt-hour (kWh) of electricity.

23.

24. **Section IV:** Private green energy businesses receiving loans through this program
25. shall grant priority in the purchase of electricity to investor businesses
26. with energy credits, but reserve at least 75% for sale in the private market
27. for a profit, until they have fully repaid their loans to the government at
28. an interest rate of 5%.

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30. **Effective Date:** For tax purposes this Bill shall come into effect at the start of the
31. 2012 fiscal year.

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33. **Statement of intent:** The intent of this bill is to incentivize businesses and to invest in
34. green energy businesses in order to expand the private market for
35. renewable energy, thus creating jobs, increasing state revenue, and
36. improving the environmental sustainability of New Jersey.

37.

38. **Financial statement:** Although the provision of tax credits and the payment of an
39. advisory board would incur an initial cost, this cost would be covered by
40. the repayment of loans with interest and by the increase in revenue from
41. economic expansion as a result of this program.