



# Alternative Fuels & Chemicals Coalition

*Advocating for Public Policies to Promote the Development & Production of Alternative Fuels & Chemicals, with a Focus on Sustainable Aviation Fuels*

## AFCC'S FY2021 Appropriation Requests

### Agriculture & Rural Development

**10 Programs – 6 Industry-Critical Priorities**

#### Introduction

**T**he Alternative Fuels & Chemicals Coalition (AFCC) represents companies that make up the value chains for the development, production, and distribution of alternative fuels, renewable chemicals, biobased products, and sustainable aviation fuels (SAF). Its 40+ member companies include: Amyris, Cargill, Clariant, Calysta, Danimer Scientific, Green Life Can, Northwest Advanced Biofuels, Praj Americas, Red Rock Biofuels, Velocys, Vertimass, Virent, and more.

AFCC's FY2021 appropriation requests are consistent with prior year appropriations. AFCC's objective is to support robust funding opportunities to stimulate the development and production of alternative fuels, renewable chemicals, biobased products, and SAF.

#### Here's Why This Is Important

The development and production of these products  
**offers EVERY state and virtually EVERY Congressional District an opportunity to CREATE JOBS and STIMULATE ECONOMIC DEVELOPMENT**

#### Here's How EVERYONE in the U.S. Benefits

- The programmatic funding levels for which AFCC is advocating make it possible for federal agencies to issue funding opportunities to carry out agency missions.
- Funding opportunities are available for each of the nine Technology Readiness Levels (TRLs), which move ideas from concept to commercial realization. **These funding opportunities stimulate ingenuity, support innovation, prove out and validate new ideas, lead to the introduction of new products and new technologies, create jobs, improve the quality of life, solve problems, and drive American competitiveness and global leadership.**
- **These funding programs form a progressive ladder that moves new ideas successively forward**, with each step building one upon the other, leading from an early concept (TRL-1), up through research and development, to testing and validation, then to prototyping and piloting, **and finally to first commercialization (TRL-9), followed by further expansion and deployment**, which is where local communities and everyone in the U.S. benefits.
- **Each TRL step is critical; reduce the funding for one and the others cannot occur.**
- A list of the federal funding programs that are available for each TRL level can be viewed and downloaded on AFCC's website at: <https://www.altfuelchem.org/federal-funding-opportunities>.

A Collaborative Government Affairs Effort

Organized by Kilpatrick Townsend & Stockton and American Diversified Energy Consulting Services

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## 5 Key Points Re: AFCC's FY2021 Appropriation Requests

- 1. The focus of AFCC's appropriations requests is to ensure the continuation – and where possible, the expansion – of the federal funding opportunities that advance research and development, support testing and validation, and lead to the commercial deployment of new technologies, services, and products.**
- 2. These funding opportunities have the potential to benefit every state and Congressional District and their constituents.** For example, the majority of AFCC's 45 member companies use waste products to make their products (thus turning liabilities into assets); hence, they can locate new facilities in local communities almost anywhere. Moreover, they distribute and sell products throughout the U.S., which touch the lives of every American, support tens of thousands of indirect and induced jobs, and have a positive economic impact in every Congressional district.
- 3. These funding opportunities play a critical role in the market economy.** They stimulate innovation. They lead to the development of new technologies, services, and products.
- 4. Most importantly, they prime the pump for private sector investment.** They do this by providing the necessary validation and reduction of risk to give private sector investors and lenders the confidence that is needed to put their money into financing new technologies, services and products and deploying them widely throughout the marketplace.
- 5. Without this validation and reduction of risk, very few, if any, private sector investors will take a chance on something that is new, innovative, or disruptive.** Thus, the benefits that could accrue to the market economy and American public may never be realized and could be lost forever ... or leave a void for another country, such as China, to replace the U.S. as a global leader.

**These funding requests are a top priority since they will have a direct impact on the constituents of every Congressional office**

## Contact Information

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# Alternative Fuels & Chemicals Coalition

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## AFCC's 2021 Appropriations Requests HOUSE & SENATE APPROPRIATIONS SUBCOMMITTEES ON AGRICULTURE & RURAL DEVELOPMENT

**AFCC's priorities** – the programs whose authorizations or appropriations have expired or not been renewed, or have been proposed for severe cuts or elimination in the President's Budget – **are indicated in red text**

### Subcommittee: Agriculture & Rural Development

#### Agency: U.S. Department of Agriculture (USDA)

#### 10 Programs – 6 Industry-Critical Priorities

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President's FY 2021 Budget	AFCC's FY 2021 REQUEST	Pending Actions
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**Please Note:** The budget amounts below include both **Program Level (PL)** and **Budget Authority (BA)** amounts

<b>USDA: Rural Business–Cooperative Service; Rural Business Program Account; Business &amp; Industry (B&amp;I) Loan Guarantees</b> (Section 310B of the Consolidated Farm and Rural Development Act of 1961)							
Bill #:	H.R. 244 (P.L. 115-31)	H.R. 1625 (P.L. 115-66)	H.J. Res. 31 (P.L. 116-6)	H.R. 1865 (P.L. 116-94)			
Division:	A	A	B	A			
Title:	Title III	Title III	Title III	Title III			
Section:	N/A	N/A	N/A	N/A			
Page #:	pg. 131	pg. 48	pg. 51	pg. 97			
<b>Discretionary</b>	PL: \$922 million; BA: \$35 million	PL: \$ 864 million; BA: \$35 million	PL: \$920 million; BA: \$37 million	PL: \$950 million; BA: \$33.25 million*	PL: \$1.25 billion; (1) BA: \$0	<b>PL: \$1 billion BA: \$35 million</b>	
<b>Mandatory</b>	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>	
Language:	* Included in the FY2020 appropriation of \$66,500,00 on pg. 97 of the FY2020 Consolidated Appropriations Act: "For the cost of loan guarantees and grants, for the rural business development programs authorized by section 310B and						

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**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
	described in subsections (a), (c), (f) and (g) of Section 310B of the Consolidated Farm and Rural Development Act, \$66,500,000” Use the same bill language for FY2021.						
Justification:	See pages 1 & 2 and (1) below A highly effective loan guarantee program that has been offering loan guarantees to rural businesses for the past 60 years for business conversion, enlargement, repair, modernization; to purchase and develop land, easements, rights-of-way, buildings or facilities; the purchase of equipment, leasehold improvements, machinery, supplies or inventory; debt refinancing when the refinancing improves cash flow and creates jobs; and business and industrial acquisitions when the loan will maintain business operations and create or save jobs.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Section 9002: Biobased Products Procurement Program (USDA BioPreferred Program)							
Bill #:	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Division:	N/A	N/A	N/A	N/A			
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9002	Section 9002	Section 9002	Section 9002			
Page #:	pg. 926	pg. 4883	pg. 4883	pg. 4883			
Discretionary	“\$2,000,000 for each of fiscal years 2014 through 2018”	“\$3,000,000 for each of fiscal years 2019 through 2023”; and	\$3,000,000 per 2018 Farm Bill	\$3,000,000 per 2018 Farm Bill	\$0	Maintain \$3,000,000 funding level	
Mandatory	“\$3,000,000 for each fiscal year 2014 through 2018”	“\$3,000,000 for each fiscal year 2019 through 2023”	\$3,000,000 per 2018 Farm Bill	\$3,000,000 per 2018 Farm Bill	\$0	Maintain \$3,000,000 funding level	
Language:	Mandatory funding and the authorization for discretionary funding has been provided by the 2018 Farm Bill through 2023. Language will need to be added to the FY2021 appropriations bill appropriating the \$3,000,000 in discretionary funding as follows:						



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President's FY 2021 Budget	AFCC's FY 2021 REQUEST	Pending Actions
	<b>Add paragraph in Division A, Title III, under Rural Business-Cooperative Service, preceding the RURAL ENERGY FOR AMERICA PROGRAM (see page 99 of the FY2020 Consolidated Appropriations Act, H.R. 1865, P.L. 116-94), that states as follows:</b> <i>"BIOBASED PRODUCTS PROCUREMENT PROGRAM</i> <i>"For necessary expenses for carrying out the administration and implementation of the Biobased Products Procurement Program, \$3,000,000"</i>						
Justification:	The discretionary and mandated funding is to administer and expand the BioPreferred Program which directs all federal agencies to purchase biobased products in categories identified by the USDA. ( <a href="#">139 categories</a> have been identified to date, including cleaners, carpet lubricants, paints, for which agencies and their contractors have mandatory purchasing requirements via solicitations, blanket purchase agreements, contracts, and specifications.						
<b>USDA: 2018 Farm Bill; Title IX;</b> <b>Section 9003: Biorefinery, Renewable Chemical &amp; Bioproducts Manufacturing Assistance Loan Guarantee Program</b>							
Bill #:	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Division:	N/A	N/A	N/A	N/A			
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9003	Section 9003	Section 9003	Section 9003			
Page #:	pg. 280	pg. 4885	pg. 4885	pg. 4885			
Discretionary	“(2) DISCRETIONARY FUNDING.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated	“(2) DISCRETIONARY FUNDING.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated	DISCRETIONARY FUNDING authorized per 2018 Farm Bill: \$25,000,000  No discretionary funding was appropriated for Section 9003 for FY2019	DISCRETIONARY FUNDING authorized per 2018 Farm Bill: \$25,000,000  No discretionary funding was appropriated for Section 9003 for FY2020	\$0	(3) Appropriate \$25 million in discretionary funding per 2018 Farm Bill.  FY2020 is the last year of mandatory funding for the	



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

<b>Account / Program:</b>	<b>FY 2017 Appropriation</b>	<b>FY 2018 Appropriation</b>	<b>FY 2019 Appropriation</b>	<b>FY 2020 Appropriation</b>	<b>President's FY 2021 Budget</b>	<b>AFCC's FY 2021 REQUEST</b>	<b>Pending Actions</b>
	\$75,000,000 to carry out this section for each of the fiscal years 2014 through 2018." <b>No discretionary funding was appropriated for Section 9003 for FY2017</b>	\$25,000,000 to carry out this section for each of the fiscal years 2019 through 2023." <b>No discretionary funding was appropriated for Section 9003 for FY2018</b>				<b>Section 9003 program. A FY2021 appropriation of \$25,000,000 in discretionary funding will be required to continue this successful and highly valuable program.</b>	
<b>Bill #:</b>	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
<b>Title:</b>	Title IX	Title IX	Title IX	Title IX			
<b>Section:</b>	Section 9003	Section 9003	Section 9003	Section 9003			
<b>Page #:</b>	pg. 928	pg. 4884	pg. 4884	pg. 4884			
<b>Mandatory</b>	BA: \$50 million	BA: \$50 million	(2) PL: \$127 million; BA: \$50 million	(2) PL: approx. \$63.5 million based on 2019 subsidy rate; BA: \$25 million	\$0	(3) FY2020 was the final year of mandatory funding for this program	
<b>Language:</b>	(3) <b>Add paragraph</b> in Division A, Title III, under Rural Business-Cooperative Service, preceding the RURAL ENERGY FOR AMERICA PROGRAM (see page 99 of the FY2020 Consolidated Appropriations Act, H.R. 1865, P.L. 116-94), that states as follows: "BIOREFINERY, RENEWABLE CHEMICAL, AND BIOBASED PRODUCT MANUFACTURING ASSISTANCE PROGRAM						



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
	“For the cost of a program of loan guarantee, under the same terms and conditions as authorized by section 9003 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8103), \$25,000,000: Provided, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.”						
Justification:	See pages 1 & 2 and (3) below. This program provides loan guarantees up to \$250 million to assist in the development, construction, and retrofitting of new and emerging technologies. These technologies are: <a href="#">advanced biofuels</a> , <a href="#">renewable chemicals</a> and <a href="#">biobased products</a> .						
USDA: 2018 Farm Bill; Title IX; Section 9005: Bioenergy Program for Advanced Biofuels (Advanced Biofuel Payment Program)							
Bill #:	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Division:	N/A	N/A	N/A	N/A			
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9005	Section 9005	Section 9005	Section 9005			
Page #:	pg. 282	pg. 4885	pg. 4885	pg. 4885			
Discretionary	“(2) DISCRETIONARY FUNDING.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section \$25,000,000 for each of fiscal	“(2) DISCRETIONARY FUNDING.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section, \$20,000,000 for each of fiscal	DISCRETIONARY FUNDING authorized per 2018 Farm Bill: \$20,000,000  No discretionary funding was appropriated for Section 9003 for FY2019	DISCRETIONARY FUNDING authorized per 2018 Farm Bill: \$20,000,000  No discretionary funding was appropriated for Section 9003 for FY2020	\$0	Appropriate \$20 million discretionary funding per Title IX, Sec. 9005, pg. 397, of the Agriculture Improvement Act of 2018	





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**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
	years 2014 through 2018.” No discretionary funding was appropriated for Section 9003 for FY2017	years 2019 through 2023.” No discretionary funding was appropriated for Section 9003 for FY2018					
Mandatory	\$14 million PL & BA	\$14 million PL & BA	\$7 million PL & BA	2019-2023 mandatory PL: \$7 million BA: \$7 million	2019-2023 mandatory PL: \$7 million BA: \$7 million	PL: \$7 million BA: \$7 million per 2018 Farm Bill	
Language:	<u>Add paragraph</u> in Division A, Title III, under Rural Business-Cooperative Service, preceding the RURAL ENERGY FOR AMERICA PROGRAM (see page 99 of the FY2020 Consolidated Appropriations Act, H.R. 1865, P.L. 116-94), that states as follows: “BIOENERGY PROGRAM FOR ADVANCED BIOFUELS “For discretionary funding to increase program participation as authorized by section 9005 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105), \$20,000,000.”						
Justification:	See pages 1 & 2 above. This program’s goal is to increase the production of advanced biofuels. Any entity that produces and sells advanced biofuel – an individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint-stock company, governmental entities, schools and other types of educational facilities, group of organizations or a nonprofit entity – is eligible to apply.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Section 9007: Rural Energy for America Program (REAP) Loan Guarantees							
Bill #:	H.R. 244 (P.L. 115-31)	H.R. 1625 (P.L. 115-66)	H.J. Res. 31 (P.L. 116-6)	H.R. 1865 (P.L. 116-94)			
Division:	A	A	B	A			
Title:	Title III	Title III	Title III	Title III			





**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

<b>Account / Program:</b>	<b>FY 2017 Appropriation</b>	<b>FY 2018 Appropriation</b>	<b>FY 2019 Appropriation</b>	<b>FY 2020 Appropriation</b>	<b>President's FY 2021 Budget</b>	<b>AFCC's FY 2021 REQUEST</b>	<b>Pending Actions</b>
Section:	N/A	N/A	N/A	N/A			
Page #:	pg. 156	pg. 51	pg. 52	pg. 99			
<b>Discretionary</b>	\$352,000	\$293,000	\$334,000	\$706,000	\$0	<b>Appropriate \$20 million in discretionary funding as provided in Title IX, Section 9007(4), pg. 398, of the Agriculture Improvement Act of 2018</b>	
Bill #:	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9007	Section 9007	Section 9007	Section 9007			
Page #:	pg. 930	pg. 4886	pg. 4886	pg. 4886			
<b>Mandatory</b>	PL: \$301 million; BA: \$14 million	PL: \$524 million; BA: \$20 million	PL: \$487 million; BA: \$22 million	*See note below	PL: \$546 million; BA: \$13 million;	<b>PL: \$546 million; maintain BA of \$50 million per 2018 Farm Bill</b>	
<b>Note:</b>	*There was a 5.9% rescission of the \$50 million mandatory BA funding. USDA allocated \$5.758 million of the total \$47.050 million BA and \$163.12 million PL to loan guarantee program.						



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
Language:				Mandatory: per 2018 Farm Bill; Discretionary: Use the bill language on pg. 99 of the FY2020 Consolidated Appropriations Act with AFCC’s FY2021 funding request			
	Also: see 2018 Farm Bill (P.L. 115-334), Title IX. Section 9007, pg. 4886						
Justification:	See pages 1 & 2 above. This program provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses to install renewable energy systems or to make energy efficiency improvements.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Section 9007: Rural Energy for America Program (REAP) Grants (see above)							
Bill #:	H.R. 244 (P.L. 115-31)	H.R. 1625 (P.L. 115-66)	H.J. Res. 31 (P.L. 116-6)	H.R. 1865 (P.L. 116-94)			
Division:	A	A	B	A			
Title:	Title III	Title III	Title III	Title III			
Section:	N/A	N/A	N/A	N/A			
Page #:	pg. 21	pg. 48	pg. 51	pg. 97			
Discretionary	\$0	\$0	\$0	\$0	\$0	Included in appropriation above for REAP loan guarantee	
Also:	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Bill #:							
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9007	Section 9007	Section 9007	Section 9007			
Page #:	pg. 930	pg. 4886	pg. 4886	pg. 4886			
Mandatory	\$33 million PL & BA	\$26 million PL & BA	\$28 million PL & BA	USDA allocated \$41.292 million of the total \$47.050 million	PL: \$37 million; BA: \$37 million	PL: \$37 million; BA: \$37 million	



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President's FY 2021 Budget	AFCC's FY 2021 REQUEST	Pending Actions
				BA to the grant program			
Language:				Mandatory: per 2018 Farm Bill; Discretionary: see REAP loan guarantee above			
	Also: see 2018 Farm Bill (P.L. 115-334), Title IX. Section 9007, pg. 4886						
Justification:	Same as for the Section 9007 REAP loan guarantees above.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account;							
Section 7507 / 9008: Biomass Research and Development Initiative <sup>(4)</sup>							
Bill #:	2014 Farm Bill (P.L. 113-79)	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Division:	N/A	N/A	N/A	N/A			
Title:	Title IX	Title IX	Title VII, Subtitle E	Title VII, Subtitle E			
Section:	Section 9008	Section 9008	Section 7507	Section 7507			
Page #:	pg. 283	pg. 283	pg. 335	pg. 335			
Discretionary	The 2018 Farm Bill authorized \$20 million/yr. in discretionary funding through 2018.  No discretionary funding was appropriated in 2017.	The 2018 Farm Bill authorized \$20 million/yr. in discretionary funding through 2018.  No discretionary funding was appropriated in 2018.	The 2018 Farm Bill authorizes \$20 million/yr. in discretionary funding through 2023.  No funding was appropriated in 2019.	The 2018 Farm Bill authorizes \$20 million/yr. in discretionary funding through 2023.  No funding was appropriated in 2020.	\$0	(4) Appropriate at least \$5 million in discretionary funding per 2018 Farm Bill	
Also:	2014 Farm Bill (P.L. 113-79)	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Title:	Title IX	Title IX	Title VII	Title VII			
Section:	Section 9008	Section 9008	Section 7507	Section 7507			



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
Page #:	pg. 931	pg. 931	pg. 4823	pg. 4823			
Mandatory	\$3 million	\$3 million	\$0	\$0	\$0	\$0	
Language:	(4) Add paragraph in Division A, Title III, under Rural Business-Cooperative Service, preceding the RURAL ENERGY FOR AMERICA PROGRAM (see page 99 of the FY2020 Consolidated Appropriations Act, H.R. 1865, P.L. 116-94), that states as follows:  “BIOMASS RESEARCH AND DEVELOPMENT “For discretionary funding to increase program participation as authorized by section 9008 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108), \$5,000,000.”						
Justification:	See (4) below. The Biomass Research and Development (BR&D) Board is an interagency collaborative composed of senior decision makers from federal agencies and the White House. It is co-chaired by the U.S. Department of Agriculture (USDA) and the U.S. Department of Energy (DOE).  The BR&D Board, as well as the annual BR&D Initiative solicitation and Technical Advisory Committee, were established by the Biomass Research and Development Act of 2000, which was later amended by Section 9001 of the 2008 Farm Bill (the Food Conservation and Energy Act of 2008) and was most recently reauthorized in the 2018 Farm Bill.  USDA and DOE annually implement the BR&D Initiative, which consists of grants made available through FCEA Section 9008 and other programs. The grants support research, development, and demonstration activities relevant to feedstock development and biofuels and bioproducts development. The Technical Advisory Committee is an independent body that provides input to agencies regarding the technical focus and direction of the Initiative.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Sections 9010 and 9011: Biomass Crop Assistance Program (BCAP) (5)							
Bill #:	H.R. 244 (P.L. 115-31)	H.R. 1625 (P.L. 115-66)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Division:	A	A	N/A	N/A			
Title:	Title III	Title III	Title IX	Title IX			
Section:	N/A	N/A	Section 9010	Section 9010			
Page #:	pg. 34	Pg. 129	pg. 4887	pg. 4887			



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
Discretionary	\$5 million PL & BA	\$1 million PL & BA	The 2018 Farm Bill authorizes \$25 million/yr. in discretionary funding through 2023.  No discretionary funding was appropriated in 20219	The 2018 Farm Bill authorizes \$25 million/yr. in discretionary funding through 2023.  No discretionary funding was appropriated in 2020	\$0	(5) Appropriate \$25 million as provided in the 2018 Farm Bill	
Also: Bill #:	2014 Farm Bill (P.L. 113-79)	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Title:	Title IX	Title IX	Title IX	Title IX			
Section:	Section 9011	Section 9011	Section 9010	Section 9010			
Page #:	pg. 932-938	pg. 932-938	pg. 132	pg. 132			
Mandatory	\$25 million	\$25 million	\$0	\$0	\$0	\$0	
Language:						See proposed language in (5) below	
Justification:	See (5) below. The Biomass Crop Assistance Program (BCAP) provides financial assistance to owners and operators of agricultural and non-industrial private forest land who wish to establish, produce, and deliver biomass feedstocks. Through one category of assistance matching payments are made available for the delivery of eligible material to qualified biomass conversion facilities by eligible material owners. Qualified biomass conversion facilities produce research, heat, power, biobased products, or advanced biofuels from biomass feedstocks.						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Higher Blends Infrastructure Program							
Bill #:	N/A	N/A	N/A	N/A			



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
Division:							
Title:							
Section:							
Page #:							
Discretionary	\$0	\$0	\$0	\$0	PL: \$100 million; BA: \$100 million	PL: \$100 million; BA: \$100 million	
Mandatory	\$0	\$0	\$0	\$0	\$0	\$0	
Language:						Per Administration / USDA	
Justification:	<p>See pages 1 &amp; 2 above.</p> <p>This is a <b>new program</b> that will expand the availability of domestic ethanol and biodiesel by incentivizing the expansion of sales of renewable fuels through investments in infrastructure, innovation, products, technology, and data derived from all HBIIP processes and/or science that drive economic growth, promote health, and increase public benefit.</p>						
USDA: Rural Business–Cooperative Service; Rural Business Program Account; Rural Cooperative Development Grants; Value-Added Agricultural Product Market Development Grants							
Bill #:	2014 Farm Bill (P.L. 113-79)	2014 Farm Bill (P.L. 113-79)	2018 Farm Bill (P.L. 115-334)	2018 Farm Bill (P.L. 115-334)			
Title:	Title VI	Title VI	Title X	Title X			
Section:	Section 6203	Section 6203	Section 10102	Section 10102			
Page #:	pg. 857	pg. 857	pg. 4892-98	pg. 4892-98			
Also:							
Bill #:	H.R. 244 (P.L. 115-31)	H.R. 1625 (P.L. 115-66)	H.J. Res. 31 (P.L. 116-6)	H.R. 1865 (P.L. 116-94)			
Division:	A	A	B	A			
Title:	Title III	Title III	Title III	Title III			
Section:	N/A	N/A	N/A	N/A			



**Subcommittee: Agriculture & Rural Development**

**Agency: U.S. Department of Agriculture (USDA)**

**10 Programs – 6 Industry-Critical Priorities**

Account / Program:	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Appropriation	FY 2020 Appropriation	President’s FY 2021 Budget	AFCC’s FY 2021 REQUEST	Pending Actions
Page #:	pg. 156	pg. 50	pg. 52	pg. 98			
Note:		The 2018 Farm Bill authorizes “such sums as are necessary to carry out this section.”					
Discretionary	\$15 million PL & BA was appropriated in FY2017	\$16 million PL & BA was appropriated in FY2018	\$17.5 million PL & BA was appropriated in FY2019	PL: \$12 million BA: \$3 million was appropriated in FY2020	\$0	\$15 million PL & BA	
Mandatory	\$63 million to remain available until expended per 2014 Farm Bill	\$63 million to remain available until expended per 2014 Farm Bill	\$0	\$0	\$0	\$0	
Language:				Discretionary: Use the bill language on the bottom of pg. 98 of the FY2020 Consolidated Appropriations Act			
Justification:	See pages 1 & 2 above. This program helps agricultural producers enter into value-added activities related to the processing and marketing of new products. The goals of this program are to generate new products, create and expand marketing opportunities, and increase producer income.						

**Please note:**

**(1)** The President's FY2021 Budget for the Business and Industry loan Guarantee Program proposes a \$1.25 billion Program Level (PL) but \$0 Budget Authority (BA). **This is a significant and unworkable reduction in the BA from previous years (\$35 million in FY2017-18, \$37 million in FY2019, and \$33.25 million in FY2020).** No explanation was provided for the significant reduction of BA to support a larger proposed PL. Budget appropriation levels are based on BA, not proposed PL.

Without documentation from the Office of Management and Budget (OMB) to support why the subsidy costs for this program were reduced to \$0, it is not clear how the program can be operated at all, let alone support the proposed PL. Based on an interpolation using actual FY2018 funding levels (PL and BA), it requires \$1 million of BA to support each \$24.9 million PL.





- (2) The Program Level (PL) for the Section 9003 Program is calculated by Office of Management and Budget (OMB) on an individual project basis on the Budget authority amount assigned to each individual project. To project the Program Level for the Fiscal Years 2018 - 2020, an interpolation was conducted based on the Fiscal Year 2016 actual budget reported. This assumes the projects funded in these respective years will be similar in characteristics to projects funded in 2016.
- (3) Unlike previous Farm Bills, which provided mandated funding for the Section 9003 loan guarantee program for each year of the five-year term of the farm bill, the 2018 Farm Bill provided only two years of mandated funding, with discretionary funding of up to \$25 million per year authorized for each of the remaining years covered by the 2018 Farm Bill.

**AFCC strongly recommends that the Section 9003 Loan Guarantee Program receive its full discretionary authorization of \$25 million for FY2021.**

This is a critical program. It is one of only two federal loan guarantee programs that are available to bridge the “valley of death” between the final validation and demonstrated workability of a promising new concept, technology, or product and the ability to bring it to commercial realization.

*Only after the concept, technology, or product has been proven at commercial scale, will private sector investors and lenders find the project risks acceptable to further replicate and deploy the concept, technology, or product.*

Proposed language is as follows:

Add paragraph in Division A, Title III, under Rural Business-Cooperative Service, preceding the RURAL ENERGY FOR AMERICA PROGRAM (see page 99 of the FY2020 Consolidated Appropriations Act, H.R. 1865, P.L. 116-94), that states as follows:

***“BIOREFINERY, RENEWABLE CHEMICAL, AND BIOBASED PRODUCT MANUFACTURING ASSISTANCE PROGRAM***

*“For the cost of a program of loan guarantee, under the same terms and conditions as authorized by section 9003 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8103), \$25,000,000: Provided, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.”*

- (4) **AFCC strongly supports the continuation and increased funding for the Biomass Research and Development Initiative.**

The vast majority of AFCC's member companies use biomass derived from waste materials to produce valuable consumer products, thus turning liabilities into assets. These waste materials are readily available in virtually every local community throughout the U.S.



Hence, an investment in better utilization of biomass and the common waste materials available in every local community will lead to greater commercialization of processes that can convert these waste materials into consumer products, thus offering opportunities to create jobs and stimulate economic development by using the waste materials available in virtually every local community.

**(5) This request to restore funding for the BCAP program is to make it possible to use BCAP as:**

**(a)** a ready a means of removing the ever-increasing supply of diseased and infected wood, discarded forest wastes, dry brush, and invasive species in national forests and on public lands that exacerbate wildfire danger, making wildfires more likely and increasing their intensity – which can destroy wildlife habits, forest resources, and property;

**(b)** to comply with the provisions of Title IV, General Provisions, Sec. 431 Policies Related to Biomass Energy of the FY2018 Consolidated Appropriations Act, which states that:

DOE, USDA and EPA “shall, consistent with their missions, jointly (1) ensure that Federal policy relating to forest bioenergy (A) is consistent across all Federal departments and agencies; (B) recognizes the full benefits of the use of forest biomass for energy, conservation, and responsible forest management [which includes reducing the danger of wildfires which can destroy forests, wildlife, and property and cost lives]; and (2) establish clear and simple policies for the use of forest biomass as an energy solution;” and

**(c)** to complement and extend the authority in the Consolidated Appropriations Act of 2020 (P.L. 116-94), Division B, Title VI, Related Agencies, Forest Service, National Forest System, pg. 191, which appropriates:

“For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for hazardous fuels management *[emphasis added]* on or adjacent to such lands, \$1,957,510,000, to remain available through September 30, 2023: ... *Provided further*, That of the funds provided, \$445,310,000 shall be for hazardous fuels management activities, of which not to exceed \$15,000,000 may be used to make grants, using any authorities available to the Forest Service under the “State and Private Forestry” appropriation, for the purpose of creating incentives for increased use of biomass from National Forest System lands *[emphasis added]*.”

And which goes on to state:



“That \$20,000,000 may be used by the Secretary of Agriculture to enter into procurement contracts or cooperative agreements or to issue grants for hazardous fuels management activities [emphasis added], and for training or monitoring associated with such hazardous fuels management activities on Federal land, or on non-Federal land if the Secretary determines such activities benefit resources on Federal land.”

Language setting forth these three objectives will need to be incorporated into the FY2021 appropriations bill, as follows:

**Proposed language**

**Add in:**

Division A – Departments of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2021

Title III – Rural Development Programs

Rural Business–Cooperative Service

Rural Business Program Account

**Insert after:**

***RURAL ENERGY FOR AMERICA PROGRAM***

***BIOMASS CROP ASSISTANCE PROGRAM***

*For a pilot program, to reinstate the Biomass Crop Assistance Program, as authorized by section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111), to carry out the mandate in the Consolidated Appropriation Act of 2018 (P.L. 115-66), Title IV, General Provisions, Sec. 431 Policies Related to Biomass Energy, and expand on the National Forest System hazardous fuels management program, as provided in Division B, Title VI of the Consolidated Appropriations Act of 2020 (P.L. 116-94), \$25,000,000, to be available until expended.*