



Alternative Fuels & Chemicals Coalition

Advocating for Public Policies to Promote the Development & Production of Alternative Fuels, Renewable Chemicals, Biobased Products, and Sustainable Aviation Fuels

AFCC FY2025 Appropriation Requests – THUD #3

FY2025 APPROPRIATIONS REQUESTS FOR DEPARTMENT OF TRANSPORTATION OF KEY IMPORTANCE TO AFCC'S 150+ MEMBER COMPANIES

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Appropriations Subcommittee:

Transportation, Housing, Urban Development, and Related Agencies (THUD)

THUD Priority: #1

Federal Agencies:

Department of Transportation

Agency Account:

DOT: Federal Highway Administration (FHWA)

DOT: Office of the Secretary

DOT: Office of the Assistance Secretary for Research and Technology (OST-R)

DOT: Office of the Assistance Secretary, Office of Research, Development & Technology

DOT: Federal Aviation Administration (FAA)

Program Title:

FHA: Center for Accelerating Innovation

DOT: Administrative Provisions

DOT: National Infrastructure Investments

DOT: Transportation Planning, Research & Development

FAA: Research, Engineering and Development

FAA: Grants-in-Aid for Airports, Airport Improvement Program (AIP)

FAA: NextGen

NextGen: Aircraft Technologies, Fuels, and Metrics

NextGen: Alternative Fuels for General Aviation

Amount Requested by AFCC:

See the following table showing prior year funding levels and AFCC's FY2025 appropriations requests



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AFCC's 2025 Appropriations Requests – THUD #3

DEPARTMENT OF TRANSPORTATION

KEY PROGRAMS OF IMPORTANCE TO AFCC'S 150+ MEMBER COMPANIES

9 requests | 8 priorities | AFCC's priorities are indicated in green text

Subcommittee: Transportation, Housing, Urban Development, and Related Agencies

Agency: U.S. Department of Transportation (DOT)

Account / Program:	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 President's Request	AFCC's FY 2025 Request	
DOT: Office of the Secretary; Administrative Provisions See Rationale / Explanation (1) below							
A no cost request using existing authorities and appropriations to increase use of unsolicited proposals						See AFCC's FY2025 THUD #1 Request	
DOT: Federal Highway Administration; Center for Accelerating Innovation See (2) in Rationale / Explanation below							
NEEDED: More flexibility in the Nation's construction and repair specifications to allow for greater use of advances in technologies, materials, and best practices to reduce costs, provide better performance, improve structural integrity and extend longevity						(2) \$500,000	See AFCC's FY2025 THUD #2 Request
DOT: Office of the Secretary; National Infrastructure Investments See Rationale / Explanation (3) below							
FY Appropriation	\$1 billion	\$775 million + \$2.5 billion supplemental	\$800 million + \$2.5 billion supplemental	\$345,000,000 + \$800 million previously appropriated + \$2.72 billion supplemental		(3) \$1.145 billion + \$2.72 billion supplemental	
DOT: Office of the Assistant Secretary for Research and Technology (OST-R) See Rationale / Explanation (4) below							
FY Appropriation	\$22,800,000	\$51,363,000	\$48,966,000	\$49,040,000		(4) \$50,000,00	

A Collaborative Government Affairs Effort

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Account / Program:	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 President's Request	AFCC's FY 2025 Request	
DOT: Office of the Assistant Secretary for Research and Technology (OST-R) See Rationale / Explanation (4) below							
FY Appropriation	\$22,800,000	\$51,363,000	\$48,966,000	\$49,040,000		(4) \$50,000,00	
DOT: Office of the Assistant Secretary; Office of Research, Development & Technology; Transportation Planning, Research & Development							
FY Appropriation	\$9,350,000	\$29,863,000	\$36,543,000	\$24,369,000		\$24,500,000	

**Agency: U.S. Department of Transportation (DOT)
Federal Aviation Administration (FAA)**

Account / Program:	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 President's Request	AFCC's FY 2025 Request	
DOT: Federal Aviation Administration; Grants-in-Aid for Airports / Airport Improvement Program (AIP) See Rationale / Explanation (5) below							
FY Appropriation	\$3,350,000,000 (pg. 652) as well as an additional \$400,000,000 (pg. 652) to remain available through Sept. 30, 2023 for airport development discretionary grants	\$3,350,000,000 (pg. 646) as well as an additional \$554,180,000 (pg. 647) to remain available through Sept. 30, 2024 for airport development discretionary grants	\$3,350,000,000 (pg. 647) as well as an additional \$558,555,000 (pg. 648) to remain available through Sept. 30, 2025 for airport development discretionary grants	\$3,350,000,000 – no supplemental funding requested		\$3,350,000,000 Include language in Rationale / Explanation (5) in appropriations language for Grants-in-Aid for Airports	Consistent with 'U.S. Department of Transportation Budget Highlights 2024' page 21
DOT: Federal Aviation Administration; Research, Engineering and Development (RE&D); Next Generation Air Transportation System (NextGen) See Rationale / Explanation (6) below							
FY Appropriation	\$198,000,000	\$248,500,000	\$255,000,000	\$280,000,000		(6) \$280,000,000	



**Agency: U.S. Department of Transportation (DOT)
Federal Aviation Administration (FAA)**

Account / Program:	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	FY 2024 Appropriation	FY 2025 President's Request	AFCC's FY 2025 Request	
FAA: Research, Engineering, and Development; NextGen: Aircraft Technologies, Fuels, and Metrics See Rationale / Explanation (7) below							
FY Appropriation	Included in RE&D above	Included in RE&D above	Included in RE&D above	Included in RE&D above as part of NextGen "Environmental Research"			Consistent with 'U.S. Department of Transportation Budget Highlights 2024" page 20
FAA Allocation	\$31,500,000	\$67,500,000	\$68,000,000	\$70,800,000		(7) \$70,800,000	
DOT/FAA: Research, Engineering & Development (RE&D); NextGen: Alternative Fuels for General Aviation See Rationale / Explanation (8)							
FY Appropriation	Included in RE&D/ NextGen above	Included in RE&D/ NextGen above	Included in RE&D/ NextGen above	Included in RE&D/NextGen "Alternative Fuels – General Aviation"			Consistent with 'U.S. Department of Transportation Budget Highlights 2024" page 20
FAA Allocation	\$0	\$5,000,000 request	\$12,400,000 request	\$11,200,000		(8) \$11,200,000	

Rationale / Explanation (1)

(1) For Office of the Secretary, Administrative Provisions, AFCC is proposing that legislative language be inserted after *Administrative Provisions – Office of the Secretary of Transportation* and before *Federal Aviation Administration Operations –* (see page 643, Consolidated Appropriations Act of 2023, P.L. 117-328) to provide greater access to, flexibility in, and opportunities for securing funding through unsolicited proposals (45 FAR 15.6) so that meritorious proposals that can provide benefit to the Nation do not become lost opportunities because they do not fit current or upcoming USDA funding opportunities.



AFCC's FY2025 Appropriations Request – THUD #1 describes the rationale behind this request, the benefits it will provide, and the legislative language that can be used to implement AFCC's request. [AFCC's FY2025 Appropriations Request – THUD #1](#) can be viewed and downloaded from AFCC's FY2025 Appropriations Request webpage by clicking [here](#).

Rationale / Explanation (2)

(2) For the Federal Highway Administration, Federal Aid to Highways, Federal Infrastructure Programs, AFCC is proposing that a new paragraph (14) be added after paragraph (13) – see page 655, Consolidated Appropriations Act of 2023, P.L. 117-328 – directing the Federal Highway Administration's Center for Accelerating Innovation (CAI) to encourage states to incorporate greater flexibility in their infrastructure construction and repair specifications to allow for greater use of advances in technologies, materials, and best practices to reduce costs, provide better performance, improve structural integrity, and extend longevity.

AFCC's FY2025 Appropriations Request – THUD #2 describes the rationale behind this request, the benefits it will provide, the guidance that AFCC proposes that CAI provides to States, and the legislative language that can be used to implement AFCC's request. [AFCC's FY2025 Appropriations Request – THUD #2](#) can be viewed and downloaded from AFCC's FY2025 Appropriations Request webpage by clicking [here](#).

This request will maximize the benefits of investments in the BUILD program as well as maximizing the benefits of the funds that have been made available through the Bipartisan Infrastructure Bill.

Rationale / Explanation (3)

(3) For Office of the Secretary, National Infrastructure Investments, AFCC STRONGLY SUPPORTS continued funding for the National Infrastructure Investments BUILD Transportation Discretionary Grant Program.

The BUILD program allows DOT to make capital funding grants through discretionary grants to any public entity, including municipalities, counties, port authorities, tribal governments, metropolitan planning organization, or others to projects that have a significant local or regional impact and promise to achieve national transportation objectives.



Rationale / Explanation (4)

(4) For Office of the Assistant Secretary for Research and Technology (OST-R), AFCC STRONGLY SUPPORTS CONTINUED AND INCREASED FUNDING FOR RESEARCH, ENGINEERING, AND DEVELOPMENT OF ALTERNATIVE AVIATION FUELS. The Federal Aviation Administration (FAA) agency plays an import role in bringing alternative fuels from the lab to the airport. Activities include setting policy goals, ensuring that the fuels can be safely integrated with aviation equipment and infrastructure. In the past, FAA program funding included specific appropriations for these activities. In recent budgets, the emphasis has changed to place less emphasis on this economically critical area.

A significant portion of the FAA research and development budget is provided from the Airport and Airways Trust Fund, under 49 U.S.C, Subtitle VII, section 48102(a) which was reauthorized in 2018 ([H.R. 302](#)). The congressional bill included specific appropriation levels through 2020 (see <https://www.congress.gov/bill/115th-congress/house-bill/4/text>). **However, the enacted bill did not include those previsions which also specifically listed alternative aviation fuels as a topic for potential funding.**

The funding decisions and budgets for these programs are determined by an advisory board. In the place of the specific research suggestions, Sec. 742 of H.R. 302 calls for a Technology review by the Administrator of the Federal Aviation Administration, in coordination with the Administrator of the National Aeronautics and Space Administration, of current and planned research on the use of advanced aircraft technologies, innovative materials, alternative fuels, additive manufacturing, and novel aircraft designs, to increase aircraft fuel efficiency.

Rationale / Explanation (5)

(5) For Federal Aviation Administration, Grants-in-Aid for Airports, Airport Improvement Program (AIP), AFCC RECOMMENDS that an additional supplement of \$400,000,000 be appropriated for Grants-in-Aid for Airports consistent with the annual appropriations for FY2020-2023, and the following language be include in FY2025 appropriation to facilitate the installation of both on- and off-airport structures, facilities, and equipment to facilitate the development and use of sustainable aviation fuels, and be included as follows:



Proposed Legislative Language for (5)

Add the following language **indicated below in light blue text** to the Grants-in-Aid for FY2025 appropriation (see the FY2023 Consolidated Appropriations Act – P.L. 117-328, bottom of page 647 and top of page 648):

GRANTS-IN-AID FOR AIRPORTS

“For an additional amount for ‘Grants-In-Aid for Airports’, to enable the Secretary of Transportation to make grants for projects as authorized by subchapter 1 of chapter 471 and subchapter 1 of chapter 475 of title 49, United States Code, ~~\$558,555,000~~ **\$400,000,000**, to remain available through September 30, 2025~~7~~.”

*Amend the amount in Paragraph (1) to read **\$200,000,000**.*

Amend Paragraph (2) to read as follows:

“(2) up to ~~\$27500~~,000,000 shall be made available to the Secretary to distribute as discretionary grants to airports, of which not less than \$25,000,000 shall be made available to any commercial service airport **to contract with private entities for the installation of both on- and off-airport structures, facilities, equipment, and other infrastructure to facilitate the development and use of sustainable aviation fuels and**, notwithstanding the requirement for the airport to be located in an air quality nonattainment or maintenance area in section 47102(3)(K) and 47102(3)(L) of title 49, United States Code, for work necessary to constructor modify airport facilities to provide low-emission fuel systems, gate electrification, other related air quality improvements, acquisition of airport-owned vehicles or ground support equipment with low-emission technology.”

Rationale / Explanation (6)

(6) For Federal Aviation Administration, Research, Engineering, and Development, AFCC RECOMMENDS that the following stipulation be added to the FY2025 appropriation for **RESEARCH, ENGINEERING, AND DEVELOPMENT** to give greater priority to installing and making the necessary infrastructure changes at airport to facilitate the use of alternative aviation fuels.



Proposed Legislative Language for (6)

Add the following language **indicated below in light blue text** to the Research, Engineering, and Development (Airport and Airway Trust Fund) FY2025 appropriation (see the FY2023 Consolidated Appropriations Act – P.L. 117-328, page 646):

RESEARCH, ENGINEERING, AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)

“For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, \$255,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2025~~6~~: *Provided*, That there may be credited to this appropriation as offsetting collections, funds received from States, counties, municipalities, other public authorities, and private sources, which shall be available for expenses incurred for research, engineering, and development: *Provided further*, That amounts made available under this heading shall be used in accordance with the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act): *Provided further*, That not to exceed 10 percent of any funding level specified under this heading in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act) may be transferred to any other funding level specified under this heading in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act): ***Provided further, That of the amounts made available under this heading, the Secretary shall give priority to installing and making the necessary infrastructure changes at airports to facilitate the use of alternative aviation fuels:*** *Provided further*, That no transfer may increase or decrease any funding level by more than 10 percent: *Provided further*, That any transfer in excess of 10 percent shall be treated as a reprogramming of funds under section 405 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.”

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Rationale / Explanation (6) *continued*

Here are some of the issues faced by SAF producers:

- AFCC's SAF producers need to deliver blended sustainable aviation fuel to OAK, SFO and LAX.
- SAF producers need a location on a pipeline with 3 tanks, one for SAF, one for conventional jet fuel, and one for SAF, which must be tested, and a sample stored for each batch, prior to entry into the pipeline
- Blended fuel then needs to be allowed to enter a pipeline for delivery into the airports
- Availability of pipeline capacity is a problem
- OAK airport and SFO airport are directly fueled by a pipeline from the Richmond Chevron oil refinery, and refineries on the Kinder Morgan(KM) pipeline
- Instability in refinery ownership and operations is a challenge.
- There is no guarantee that any refinery will assist SAF producers with blending, testing, sample storage, and pipeline access
- Moreover, they will charge SAF producers an additional premium
- be required. The DOT infrastructure project will need to consider these changes

Now is the time for the planning and implementation of changes to accommodate SAF as alternative fuels use becomes more common. Alternative aviation fuels are becoming the norm in many international markets and could be required for U.S. carriers serving these locations in the future. Currently these types of projects are not among those discussed in the agency's request.

Rationale / Explanation (7)

(7) For Federal Aviation Administration; Research, Engineering, and Development; NextGen; Aircraft Technologies, Fuels, and Metrics, AFCC STRONGLY URGES CONTINUED FUNDING for the NextGen, Environmental Research, Aircraft Technologies, Fuels, and Metrics program in FAA's Office of Environment and Energy.

The stated goal of the Aircraft Technologies, Fuels, and Metrics program is to increase mobility by reducing environmental impacts of aviation in absolute terms, including those relating to community noise, air quality and global climate change.



The program is focused on maturing aircraft innovative technologies that can reduce aircraft noise, emissions that degrade air quality, greenhouse gas emissions, and energy use, and advance alternative jet fuels.

The Office of Environment and Energy is a key component of the FAA’s environment and energy strategy. It advances understanding of aviation noise and emissions at their source, how they propagate and are modified in the atmosphere, and their ultimate health and welfare impacts on the population – both near airports and much farther afield. This knowledge is then incorporated into an integrated aviation environmental tool suite that can be used to evaluate the full breadth of environmental mitigation solutions that are being developed.

The aviation environmental tool suite is built upon a sound scientific understanding of aviation noise and emissions as well as their environmental, health, and welfare impacts. The Program is using these models and knowledge to inform decision-making on technology development, operational procedures, and policies relating to aviation’s energy use and environmental impacts.

Rationale / Explanation (8)

(8) For Federal Aviation Administration; Research, Engineering, and Development; NextGen; Alternative Fuels for General Aviation, AFCC STRONGLY RECOMMENDS increasing funding for the production of Alternative Fuels for General Aviation.

Programs aimed at improving the sustainability and competitiveness of the U.S. transportation system in today’s increasingly environmentally conscious world need to be protected as they compete with other priorities.

AFCC and its member companies have a strong focus on alternative feedstocks and fuels for aviation, which are typically derived from biological and renewable resources, and are sustainably produced in the U.S.

Their adoption promotes the use of home-grown agricultural crops, helping our farmers, advancing innovation, creating jobs, and in turn building the nations biobased economy. There is growing international demand for these biofuels and mandates in the EU and other areas of the world may require their use in overseas flights and in the U.S. military. Adoption of alternative fuels supports the USA’s leadership in green technologies and AFCC strongly recommends funding research for a cleaner and healthier environment.