



## Farm Bill Energy Programs

**Overview:** The Farm Bill Energy Title (Title IX of the Agricultural Act of 2014) provides vital policy support to help drive a 21<sup>st</sup> Century bio-based economy. Value-added conversion of biomass to fuels, chemicals, and products creates high-quality rural jobs, drives economic development, enhances energy security and independence, and improves environmental health.

The Energy Title received \$694 million in mandatory funding over the five-year reauthorization period (FY2014-FY2018), which will ensure that renewable energy programs are automatically funded at the levels authorized in the Farm Bill, unless Congress amends funding through the appropriations or legislative process.

- **Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program:** Section 9003 of the Farm Bill provides loans for the development, construction, and retrofitting of commercial-scale and demonstration biorefineries. This program has been the single most effective driver of unlocking private capital for next-generation biorefinery construction and has spurred construction of a half dozen projects that will bring more than 100 million gallons of advanced biofuels to market by 2016. Eligibility for the program has been expanded to include biobased manufacturing and renewable chemicals.

*Funding:* mandatory funding of \$100 million in FY2014 and \$50 million each for FY2015 and FY2016, and discretionary funding of \$75 million annually for FY2014-FY2018.

- **Biomass Crop Assistance Program (BCAP):** Authorized in Section 9010 of the Farm Bill, BCAP provides financial assistance to owners and operators of agricultural land and non-industrial private forest land who wish to establish, produce, and deliver biomass feedstocks to eligible processing plants. BCAP is the only federal program targeted at the development of next-generation biorefinery feedstocks. As such, it is vital to establishing a sustainable and reliable feedstock supply for the commercialization of cellulosic biofuels, renewable chemicals and bioproducts.

*Funding:* mandatory funding of \$25 million for each of FY2014-FY2018. No discretionary funding.

- **Biobased Markets Program:** Section 9002 of the Farm Bill was originally authorized in the 2002 Farm Bill and is known as the Biobased Markets Program. This USDA program for certification, designation and federal procurement of biobased products directs federal agencies to increase their purchase and use of biobased products. The Farm Bill also established a labeling program finalized in 2010, known as BioPreferred, to accelerate public awareness and adoption of biobased products.

Funding: mandatory funding of \$3 million and discretionary funding of \$2 million for each of FY2014-FY2018.

- **Biomass Research and Development Initiative (BRDI):** Section 9008 of the Farm Bill was originally authorized in the 2002 Farm Bill and is administered jointly by USDA and DOE. It provides grants and contracts for research, development, and demonstration of technologies and processes leading to significant commercial production of next-generation biofuels, feedstocks, biobased products.

Funding: mandatory funding of \$3 million annually for FY2014-FY2017 and discretionary funding of \$20 million annually for FY2014-FY2018.

- **Rural Energy for America Program (REAP):** Authorized in Section 9007 of the Farm Bill, REAP provides competitive grants and loan guarantees for the development and construction of renewable energy systems and energy efficiency improvement projects. Eligible entities include rural small businesses and agricultural producers. It is a popular program that serves the public by increasing energy security, cutting energy-related pollution, and sparking rural economic development.

Funding: mandatory funding of \$50 million for FY2014 and each fiscal year thereafter (thus REAP's mandatory funding authority does not expire with the 2014 farm bill), and discretionary funding of \$20 million annually for FY2014-FY2018.

Should you have any questions, please contact Biocom's Associate Director of Federal Affairs, Laure Fabrega, at [lfabrega@biocom.org](mailto:lfabrega@biocom.org) or (202) 449-3962.

*Biocom is one of the largest regional life science associations in the world, representing more than 600 member companies in Southern California. The association focuses on initiatives that positively influence the region's life science community in the development and delivery of innovative products that improve health and quality of life.*