

July 17, 2017

The Honorable John Hoeven
Chairman
Subcommittee on Agriculture, Rural
Development,
Food and Drug Administration,
& Related Agencies
Committee on Appropriations
129 Dirksen Senate Building
Washington, D.C. 20510

The Honorable Jeff Merkley
Ranking Member
Subcommittee on Agriculture,
Rural Development,
Food and Drug Administration,
& Related Agencies
Committee on Appropriations
190 Dirksen Senate Building
Washington, D.C. 20510

Dear Chairman Hoeven and Ranking Member Merkley:

The following companies and organizations are deeply concerned by the deep cuts made to the Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Program; the Rural Energy for America Program (REAP); and the Biomass Crop Assistance Program (BCAP) in the House Appropriations Committee passed Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for Fiscal Year 2018.

At a time when American farmers and rural communities are hurting economically, with farm income dropping 15 percent to about \$68 billion last year, the lowest since 2009, these programs have helped boost farmer incomes, while creating jobs in rural communities. The Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Program has enabled manufacturers to access capital for large-scale projects in rural communities. These loans have allowed companies to put steel in the ground for first-of-a-kind biorefineries, which are proven job and economic growth drivers for rural communities.

The REAP has been a remarkably popular, successful, and constructive program that supports every state and region and renewable energy and energy efficiency technology. REAP provides benefits to the full agricultural value chain, from producers of crops, to biotechnology and clean technology companies operating across rural America. Nearly 13,000 projects in all 50 states have received awards since the 2008 Farm Bill, leveraging more than \$3 billion in private investment. REAP is one of agriculture's best ways of improving the nation's energy infrastructure and resiliency.

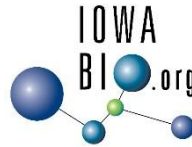
BCAP has incentivized nearly 1,000 growers and landowners farming nearly 49,000 acres to establish and produce dedicated, non-food energy crops for delivery to energy conversion facilities. In 2014 and 2015, USDA approved 209 contracts for matching payments of \$15.8 million toward the collection or harvest of approximately 300,000 dry tons of forest residues from National Forest Service and Bureau of Land Management public lands. Forest residues are removed for the reduction or containment of disease or insect infestation and reduction of fire threat.

These programs benefit rural America by creating high value jobs, increase revenue for producers, and stimulate production in high skilled manufacturing and impact the biobased economy. We urge the Senate Appropriations Committee to maintain the mandatory funding for these programs and reject any rescission of budget authority previously provided by Congress to these programs.

Thank you for your consideration.

Sincerely,







TATE & LYLE

