

118TH CONGRESS
1ST SESSION

H. R. 6413

To amend the Farm Security and Rural Investment Act of 2002 to improve biorefinery, renewable chemical, and biobased product manufacturing assistance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 14, 2023

Mr. NUNN of Iowa (for himself, Ms. BUDZINSKI, and Mr. VAN ORDEN) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Farm Security and Rural Investment Act of 2002 to improve biorefinery, renewable chemical, and biobased product manufacturing assistance, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Agricultural Bio-
5 refinery Innovation and Opportunity Act of 2023”.

1 **SEC. 2. BIOREFINERY, RENEWABLE CHEMICAL, AND**
2 **BIOBASED PRODUCT MANUFACTURING AS-**
3 **SISTANCE.**

4 Section 9003 of the Farm Security and Rural Invest-
5 ment Act of 2002 (7 U.S.C. 8103) is amended—

6 (1) in subsection (a), in the matter preceding
7 paragraph (1), by striking “to assist” and inserting
8 “to develop advanced biofuels (which, for purposes
9 of this section, shall include ultra-low-carbon bioeth-
10 anol and zero-carbon bioethanol), renewable chemi-
11 cals, and biobased product manufacturing and as-
12 sist”;

13 (2) in subsection (b)(1)—

14 (A) by striking “technologically new”; and

15 (B) by striking “end-user products” and
16 inserting “end-user products, renewable chemi-
17 cals, and biobased products”;

18 (3) in subsection (c)—

19 (A) by striking “The Secretary shall make
20 available to eligible entities guarantees” and in-
21 serting the following: “Subject to the avail-
22 ability of funding, the Secretary shall make
23 available to eligible entities—

24 “(1) on a year-round basis, guarantees”;

1 (B) in paragraph (1) (as so designated), by
2 striking the period at the end and inserting “,
3 in accordance with subsection (d); and”;

4 (C) by adding at the end the following:

5 “(2) grants, on a competitive basis, to develop,
6 construct, or retrofit pilot or demonstration-scale
7 biorefineries to demonstrate the commercial viability
8 of 1 or more processes for converting renewable bio-
9 mass to advanced biofuels, renewable chemicals, and
10 biobased products in accordance with subsection
11 (e).”;

12 (4) in subsection (d)(1)—

13 (A) by striking subparagraphs (A) and
14 (C);

15 (B) by redesignating subparagraphs (B)
16 and (D) as subparagraphs (A) and (B), respec-
17 tively;

18 (C) in subparagraph (A) (as so redesign-
19 ated)—

20 (i) by striking “In approving a loan
21 guarantee application” and inserting the
22 following:

23 “(i) IN GENERAL.—In approving an
24 application for a loan guarantee under sub-
25 section (c)(1)”;

1 (ii) by adding at the end the fol-
2 lowing:

3 “(ii) WAIVER.—The Secretary may
4 waive the feasibility study under clause (i)
5 for proven or otherwise commercially avail-
6 able technologies.”; and

7 (D) in subparagraph (B) (as so redesign-
8 nated), by striking “loan guarantee applica-
9 tions” and inserting “applications for loan
10 guarantees under subsection (e)(1)”;

11 (5) by redesignating subsection (e) as sub-
12 section (k);

13 (6) by inserting after subsection (d) the fol-
14 lowing:

15 “(e) GRANTS.—

16 “(1) SELECTION CRITERIA.—

17 “(A) IN GENERAL.—In approving applica-
18 tions for grants under subsection (e)(2), the
19 Secretary shall establish a priority scoring sys-
20 tem that assigns priority scores to each applica-
21 tion and only approve applications that exceed
22 a specified minimum score, as determined by
23 the Secretary.

24 “(B) FEASIBILITY.—

1 “(i) IN GENERAL.—In approving an
2 application for a grant under subsection
3 (c)(2), the Secretary shall determine the
4 technical and economic feasibility of the
5 project based on a feasibility study of the
6 project described in the application con-
7 ducted by an independent third party.

8 “(ii) WAIVER.—The Secretary may
9 waive the feasibility study under clause (i)
10 for proven or otherwise commercially avail-
11 able technologies.

12 “(C) SCORING SYSTEM.—The priority scor-
13 ing system established under subparagraph (A)
14 shall consider, with respect to a project pro-
15 posed in an application for a grant under sub-
16 section (c)(2)—

17 “(i) the potential market for the ad-
18 vanced biofuel, renewable chemical, or
19 biobased product, and the byproducts pro-
20 duced under the project;

21 “(ii) the level of financial participation
22 by the eligible entity, including support
23 from non-Federal and private sources;

24 “(iii) whether the eligible entity is
25 proposing to use—

1 “(I) a feedstock not previously
2 used in the production of advanced
3 biofuels; or

4 “(II) a feedstock, process, or
5 technology in an innovative manner in
6 the production of renewable chemicals
7 or biobased products;

8 “(iv) whether the eligible entity is pro-
9 posing to work with producer associations
10 or cooperatives;

11 “(v) whether the eligible entity has es-
12 tablished that the adoption of the process
13 proposed in the application will have a
14 positive impact on resource conservation,
15 public health, and the environment;

16 “(vi) the potential for rural economic
17 development;

18 “(vii) whether the project can be rep-
19 licated;

20 “(viii) scalability for commercial use;
21 and

22 “(ix) in the case of an advanced
23 biofuels project, the contribution of the
24 project to domestic energy security.

25 “(2) COST SHARING.—

1 “(A) LIMITS.—The amount of a grant
2 awarded under subsection (c)(2) shall not ex-
3 ceed an amount that is 60 percent of the cost
4 of the project carried out using the grant.

5 “(B) NON-FEDERAL SHARE.—The non-
6 Federal share of the cost of a project may be
7 provided in the form of cash or material, sub-
8 ject to the condition that the material provided
9 does not exceed 30 percent of the non-Federal
10 share.”;

11 (7) in subsection (g)—

12 (A) in paragraph (1)—

13 (i) in subparagraph (A)—

14 (I) in the matter preceding clause
15 (i), by inserting “and grants” after
16 “loan guarantees”;

17 (II) in clause (iii), by striking
18 “and” at the end;

19 (III) in clause (iv), by striking
20 the period at the end and inserting “;
21 and”;

22 (IV) by adding at the end the fol-
23 lowing:

24 “(v) \$100,000,000 for each of fiscal
25 years 2024 through 2028.”; and

1 (ii) in subparagraph (B), by striking
2 “Of the total” and all that follows through
3 “subparagraph (A)” and inserting “Of the
4 total amount of funds made available for
5 each of fiscal years 2024 through 2028
6 under subparagraph (A)”; and
7 (B) in paragraph (2), by striking “2023”
8 and inserting “2028”;
9 (8) in subsection (h)(1), by striking “sub-
10 sections (a) through (e), and (g)” and inserting
11 “subsections (a) through (e), (g), and (k)”;
12 (9) in subsection (i)(1), by striking “subsections
13 (a) through (e) and subsection (g)” and inserting
14 “subsections (a) through (e), (g), and (k)”; and
15 (10) in subsection (j)(1), by striking “sub-
16 sections (a) through (e) and (g)” and inserting
17 “subsections (a) through (e), (g), and (k)”.

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