

PYROLYSIS INNOVATION GRANTS ACT

NOVEMBER 1, 2021.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAVID SCOTT of Georgia, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H.R. 5589]

The Committee on Agriculture, to whom was referred the bill (H.R. 5589) to direct the Secretary of Agriculture to carry out a program to award grants to eligible entities to carry out projects with the potential to reduce or sequester greenhouse emissions that convert and valorize tree nut harvest by-products into multiple higher value biocarbon products, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Pyrolysis Innovation Grants Act”.

SEC. 2. PYROLYSIS INNOVATION GRANT PROGRAM.

(a) **IN GENERAL.**—Subject to the availability of appropriations, the Secretary of Agriculture (referred to in this Act as the “Secretary”), acting through the Director of the National Institute of Food and Agriculture, shall establish a program under which the Secretary will award competitive grants to eligible entities to carry out not fewer than 10 pilot projects with the potential to reduce or sequester greenhouse gas emissions by converting and valorizing tree nut harvest by-products into multiple higher value biocarbon products, including sustainable industrial applications, agrochemicals, repurposing process heat, energy, and construction materials.

(b) **ELIGIBLE ENTITY DEFINED.**—The term “eligible entity” means—

(1) a college or university (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));

(2) a third-party private entity, the primary business of which is related to agriculture (as determined by the Secretary);

(3) a nongovernmental organization with experience working with agricultural producers (as determined by the Secretary); and

(4) a Federal agency or other governmental organization.

(c) **REPORT.**—Not later than two years after the date on which the first grant is awarded under subsection (a), and biennially thereafter until two years after the date on which the last grant is awarded under subsection (a), the Secretary shall

submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on—

- (1) the activities carried out using grants awarded under such subsection;
- (2) best practices used to leverage the investment of the Federal Government for the purposes specified in subsection (a); and
- (3) an assessment of the results achieved by the program established under this section.

(d) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$5,000,000 for each of fiscal years 2023 through 2027, to remain available until expended.

(2) ADMINISTRATIVE COSTS.—Of the amounts made available under this section in any fiscal year, not more than 8 percent may be used for evaluation, monitoring, salaries, and administrative expenses.

BRIEF EXPLANATION

This legislation, as reported out of Committee, creates a new grant program for pilot projects that focus on using pyrolysis to convert, recycle, and repurpose tree nut harvest by-products into reusable products, such as biocarbon and biogas. The bill authorizes \$5 million to be appropriated for Fiscal Years 2023–2027.

PURPOSE AND NEED FOR LEGISLATION

Often tree nut by-products are left to decompose after the primary crop is taken to market. Using pyrolysis to convert and repurpose tree nut husks and shells has the potential to create new sources of income for tree nut producers and create new jobs in rural communities. Biomass and tree nut by-products are often low-value co-products, but pyrolysis has the potential to add value to these products by converting them over to reusable products making the value chain more efficient and more environmentally friendly.

H.R. 5589 will support the tree nut industries and producers through the creation of a new grant program that has the potential to reduce the potential of greenhouse gas emissions by repurposing the leftover tree nut shells and husks. With prohibitions on burning and limitations on disposal, this is a much-needed option for growers and shellers to add value to the by-products of shelling.

H.R. 5589, PYROLYSIS INNOVATION GRANTS ACT

SECTION-BY-SECTION

Section 1. Short title

Section 1 provides the short title of the bill as the “Pyrolysis Innovation Grants Act.”

Section 2. Pyrolysis innovation grant program

Subsection (a) requires the Secretary of Agriculture, through the Director of the National Institute of Food and Agriculture, to establish a program to award grants to eligible entities for not fewer than 10 pilot projects that have the potential to reduce or sequester greenhouse emissions by converting and valorizing tree nut harvest by-products into biocarbon products.

Subsection (b) defines eligible entity to mean a college or university, a third-party private entity with a primary business related to agriculture, a nongovernmental organization with experience

working with agricultural producers, or a Federal agency or other governmental organization.

Subsection (c) requires the Secretary to submit a biennial report to the House Agriculture Committee and the Senate Committee on Agriculture, Nutrition, and Forestry on the activities carried out with the grants awarded, best practices used to leverage the investment of the Federal government for purposes specified in subsection (a), and an assessment of the results achieved by the program.

Subsection (d) authorizes \$5,000,000 for each of Fiscal Years 2023 through 2027, to remain available until expended. The Secretary is authorized to use not more than 8 percent for evaluation, monitoring, salaries, and administrative expenses.

COMMITTEE CONSIDERATION

On October 21, 2021, the Committee on Agriculture met pursuant to notice, with a quorum present, to consider H.R. 5589, the Pyrolysis Innovation Grants Act. Chairman Scott made an opening statement as did Ranking Member Thompson. Chairman Scott requested other Members submit their opening statements for the record. Without objection, H.R. 5589 was placed before the Committee for consideration, a first reading of the bill was waived, and it was opened for amendment at any point.

Chairman Scott offered an amendment in the nature of a substitute, and without objection, the reading of the amendment was waived, and the substitute was considered as original text for the purposes of further amendment. Chairman Scott recognized Mr. Harder, the bill's sponsor, to speak on the bill. Discussion occurred and without objection, the Committee considered the whole amendment in the nature of a substitute. There being no further amendments, a voice vote was conducted and the bill was reported favorably from Committee.

At the conclusion of the meeting, Chairman Scott advised Members that pursuant to the Rules of the House of Representatives, Members had until October 28, 2021 to file any supplemental, additional, dissenting, or minority views with the Committee. Without objection, staff was given permission to make any necessary technical, clarifying, or conforming changes to reflect the intent of the Committee. Chairman Scott thanked all the Members and adjourned the meeting.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the House of Representatives, H.R. 5589 was reported by voice vote with a majority quorum present. There was no request for a recorded vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimates prepared by the Direction of the Congressional Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

COST OF LEGISLATION AND THE CONGRESSIONAL BUDGET ACT

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee adopts as its own cost estimate the forthcoming cost estimate of the Director of the Congressional Budget Office, should such cost estimate be made available before House passage of the bill.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. Congressional Budget Office staff has informed the Committee on a preliminary, informal, nonbinding basis that there does not appear to be any direct spending associated with the bill.

CONSTITUTIONAL AUTHORITY STATEMENT

The Committee finds the Constitutional authority for this legislation in Article I, section 8, clause 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the consideration of the United States or in any department or officer thereof.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the House of Representatives, the performance goals and objectives of this measure are to award grants to eligible entities to carry out projects with the potential to reduce or sequester greenhouse emissions that convert and valorize tree nut harvest by-products into multiple higher value biocarbon products.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

FEDERAL MANDATES STATEMENT

An estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chair of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

EARMARK STATEMENT

This measure does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the House of Representatives.

DUPLICATION OF FEDERAL PROGRAMS

This measure does not establish or reauthorize a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee does not believe that the legislation directs an Executive Branch official to conduct any specific rule making proceedings within the meaning of 5 U.S.C. 551.