

115TH CONGRESS
1ST SESSION

S. 1776

To amend the Farm Security and Rural Investment Act of 2002 to reauthorize energy programs through fiscal year 2023, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7, 2017

Mr. FRANKEN (for himself, Mr. DURBIN, and Ms. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Farm Security and Rural Investment Act of 2002 to reauthorize energy programs through fiscal year 2023, 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 Energy
5 Programs Reauthorization Act of 2017”.

6 **SEC. 2. BIOBASED MARKETS PROGRAM.**

7 Section 9002 of the Farm Security and Rural Invest-
8 ment Act of 2002 (7 U.S.C. 8102) is amended—

9 (1) in subsection (b)—

1 (A) in paragraph (1), by inserting “or re-
 2 newable chemicals” after “biobased products”;

3 (B) in paragraph (2)(B)—

4 (i) in clause (i), by inserting “or re-
 5 newable chemical” after “biobased”; and

6 (ii) in clause (ii), by inserting “or re-
 7 newable chemical” after “portions of
 8 biobased”; and

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

10 “(5) EDUCATION AND OUTREACH.—The Sec-
 11 retary, in consultation with the Administrator, shall
 12 provide to appropriate stakeholders education and
 13 outreach relating to the voluntary labeling program
 14 under this subsection.”;

15 (2) in subsection (f), by striking the subsection
 16 designation and all that follows through “The Sec-
 17 retary” and inserting the following:

18 “(f) MANUFACTURERS OF RENEWABLE CHEMICALS
 19 AND BIOBASED PRODUCTS.—

20 “(1) NAICS CODES.—The Secretary and the
 21 Secretary of Commerce shall jointly develop North
 22 American Industry Classification System codes for—

23 “(A) renewable chemicals manufacturers;
 24 and

25 “(B) biobased products manufacturers.

1 “(2) NATIONAL TESTING CENTER REGISTRY.—
2 The Secretary”;
3 (3) in subsection (h)(2)—
4 (A) in subparagraph (B)(ii), by striking
5 “and” at the end;
6 (B) in subparagraph (C), by striking the
7 period at the end and inserting “; and”; and
8 (C) by adding at the end the following:
9 “(D) a description of the quantity of
10 biobased products procured under subsection
11 (a) during the previous year.”;
12 (4) in subsection (i)—
13 (A) in paragraph (1), by striking
14 “\$3,000,000 for each of fiscal years 2014
15 through 2018” and inserting “\$6,000,000 for
16 each of fiscal years 2019 through 2023”; and
17 (B) in paragraph (2), by striking “2018”
18 and inserting “2023”; and
19 (5) in subsection (j), by striking “includes,
20 with” and inserting the following: “includes—
21 “(1) products produced from biologically cap-
22 tured and reused carbon; and
23 “(2) with”.

1 **SEC. 3. 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 (b)(3)—

7 (A) in subparagraph (A), by striking
 8 “and” at the end and inserting “or”; and

9 (B) in subparagraph (B)—

10 (i) by inserting “renewable chemical
 11 or biobased product” before “technology”;
 12 and

13 (ii) by striking “biorefinery that pro-
 14 duces an advanced biofuel.” and inserting
 15 “biorefinery.”; and

16 (2) in subsection (g)—

17 (A) by striking paragraph (1) and insert-
 18 ing the following:

19 “(1) MANDATORY FUNDING.—Of the funds of
 20 the Commodity Credit Corporation, the Secretary
 21 shall use for the cost of loan guarantees under this
 22 section, to remain available until expended,
 23 \$75,000,000 for each of fiscal years 2019 through
 24 2023.”; and

25 (B) in paragraph (2), by striking “2018”
 26 and inserting “2023”.

1 **SEC. 4. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.**

2 Section 9005(g) of the Farm Security and Rural In-
3 vestment Act of 2002 (7 U.S.C. 8105(g)) is amended—

4 (1) in paragraph (1), by striking “expended—
5 ” and all that follows through the period at the end
6 and inserting “expended, \$5,000,000 for each of fis-
7 cal years 2018 through 2023.”; and

8 (2) in paragraph (2), by striking “2018” and
9 inserting “2023”.

10 **SEC. 5. RURAL ENERGY FOR AMERICA PROGRAM.**

11 (a) DEFINITION OF RENEWABLE ENERGY SYS-
12 TEM.—Section 9001(16) of the Farm Security and Rural
13 Investment Act of 2002 (7 U.S.C. 8101(16)) is amend-
14 ed—

15 (1) by redesignating subparagraph (B) as sub-
16 paragraph (C); and

17 (2) in subparagraph (A), by striking “that—”
18 and all that follows through the period at the end
19 of clause (ii) and inserting the following: “that pro-
20 duces usable energy from a renewable energy source.

21 “(B) INCLUSIONS.—The term ‘renewable
22 energy system’ includes—

23 “(i) distribution components necessary
24 to move energy produced by a renewable
25 energy system to the initial point of sale;
26 and

1 “(ii) other components and ancillary
 2 infrastructure of a renewable energy sys-
 3 tem, such as a storage system.”.

4 (b) FUNDING.—Section 9007(g) of the Farm Secu-
 5 rity and Rural Investment Act of 2002 (7 U.S.C. 8107(g))
 6 is amended—

7 (1) in paragraph (1), by striking “expended—
 8 ” and all that follows through the period at the end
 9 and inserting “expended, \$150,000,000 for each of
 10 fiscal years 2018 through 2023.”;

11 (2) in paragraph (3), by striking “\$20,000,000
 12 for each of fiscal years 2014 through 2018” and in-
 13 serting “\$50,000,000 for each of fiscal years 2018
 14 through 2023”; and

15 (3) by adding at the end the following:

16 “(4) ALLOCATION OF FUNDING.—For each fis-
 17 cal year, not more than 30 percent of amounts made
 18 available to carry out this section may be used for—

19 “(A) any 1 form of renewable energy de-
 20 scribed in subparagraphs (A) and (B) of section
 21 9001(15); or

22 “(B) technologies to improve the efficiency
 23 of energy usage.”.

1 **SEC. 6. BIOMASS RESEARCH AND DEVELOPMENT.**

2 Section 9008(h) of the Farm Security and Rural In-
3 vestment Act of 2002 (7 U.S.C. 8108(h)) is amended—

4 (1) in paragraph (1), by striking “expended—
5 ” and all that follows through the period at the end
6 and inserting “expended, \$20,000,000 for each of
7 fiscal years 2019 through 2023.”; and

8 (2) in paragraph (2), by striking “2018” and
9 inserting “2023”.

10 **SEC. 7. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIO-**
11 **ENERGY PRODUCERS.**

12 Section 9010(b) of the Farm Security and Rural In-
13 vestment Act of 2002 (7 U.S.C. 8110(b)) is amended—

14 (1) in paragraph (1)(A), by striking “2018”
15 and inserting “2023”; and

16 (2) in paragraph (2)(A), by striking “2018”
17 and inserting “2023”.

18 **SEC. 8. BIOFUELS AND BIOBASED PRODUCT FEEDSTOCK**
19 **AND WILDLAND FIRE PROTECTION PRO-**
20 **GRAM.**

21 Section 9011 of the Farm Security and Rural Invest-
22 ment Act of 2002 (7 U.S.C. 8111) is amended—

23 (1) by striking the section heading and insert-
24 ing “**BIOFUELS AND BIOBASED PRODUCT FEED-**
25 **STOCK AND WILDLAND FIRE PROTECTION PRO-**
26 **GRAM.**”;

1 (2) in subsection (a)—

2 (A) by striking paragraph (1);

3 (B) by redesignating paragraphs (2) and
4 (3) through (7) as paragraphs (7) and (1)
5 through (5), respectively, and moving the para-
6 graphs so as to appear in numerical order;

7 (C) in paragraph (1) (as so redesignated),
8 by striking “BCAP” and inserting “program”;

9 (D) in paragraph (4) (as so redesign-
10 nated)—

11 (i) in subparagraph (B)—

12 (I) in clause (ii)(II), by striking
13 “and” at the end;

14 (II) in clause (iii), by striking the
15 period at the end and inserting a
16 semicolon; and

17 (III) by adding at the end the
18 following:

19 “(iv) algae; and

20 “(v) animal waste and byproducts, in-
21 cluding fat, oil, grease, and manure.”; and

22 (ii) in subparagraph (C)—

23 (I) by striking clauses (ii) and
24 (iv); and

1 (II) by redesignating clauses (iii),
 2 (v), (vi), and (vii) as clauses (ii), (iii),
 3 (iv), and (v), respectively;

4 (E) in paragraph (5) (as so redesignated),
 5 by striking “BCAP”;

6 (F) by inserting after paragraph (5) (as so
 7 redesignated) the following:

8 “(6) PROGRAM.—The term ‘program’ means
 9 the Biofuels and Biobased Product Feedstock and
 10 Wildland Fire Protection Program established under
 11 this section.”; and

12 (G) in paragraph (7) (as so redesign-
 13 nated)—

14 (i) by striking the paragraph heading
 15 and inserting “PROJECT AREA.—”; and

16 (ii) in the matter preceding subpara-
 17 graph (A), by striking “BCAP”;

18 (3) in subsection (b)—

19 (A) in the matter preceding paragraph (1),
 20 by striking “Biomass Crop Assistance Pro-
 21 gram” and inserting “Biofuels and Biobased
 22 Product Feedstock and Wildland Fire Protec-
 23 tion Program”;

24 (B) in paragraph (1), by striking “BCAP”;
 25 and

1 (C) in paragraph (2), by inserting “, in-
 2 cluding eligible material harvested for the pur-
 3 pose of hazardous woody fuel reduction” before
 4 the period at the end;

5 (4) in subsection (c)—

6 (A) by striking the subsection heading and
 7 inserting “PROJECT AREAS.—”;

8 (B) by striking “BCAP” each place it ap-
 9 pears;

10 (C) in paragraph (2)(B)—

11 (i) in the subparagraph heading, by
 12 striking “BCAP PROJECT” and inserting
 13 “PROJECT”; and

14 (ii) in clause (i) (as amended by sub-
 15 paragraph (B)), by inserting “program”
 16 before the semicolon at the end;

17 (D) in paragraph (4) (as amended by sub-
 18 paragraph (B)), by inserting “program” before
 19 “contract”; and

20 (E) in paragraph (5)(D) (as amended by
 21 subparagraph (B)), by inserting “program” be-
 22 fore “payments on land”;

23 (5) in subsection (d)—

24 (A) in paragraph (1)(A), by striking
 25 “BCAP” and inserting “program”;

1 (B) in paragraph (2)(B), by striking
2 “paragraph (3)” and inserting “paragraph
3 (5)”;

4 (C) by redesignating paragraph (3) as
5 paragraph (5);

6 (D) by inserting after paragraph (2) the
7 following:

8 “(3) HAZARDOUS WOODY FUEL REDUCTION.—

9 “(A) IN GENERAL.—In accordance with
10 regulations issued by the Secretary to carry out
11 this paragraph, the Secretary may use amounts
12 made available under subsection (f)(1)(A) to
13 provide to a project sponsor that submits to the
14 Secretary an application in accordance with
15 those regulations a payment under this sub-
16 section for the transportation costs of a project
17 that removes eligible material for the purpose of
18 hazardous woody fuel reduction, as determined
19 by the Secretary.

20 “(B) CONSIDERATIONS.—In determining
21 which projects to provide payments under sub-
22 paragraph (A), the Secretary shall consider—

23 “(i) only projects that, as determined
24 by the Secretary, in consultation with the
25 Forest Service Fire Modeling Institute, are

1 located in wildland areas that are the
 2 most—

3 “(I) at risk from wildfire; or

4 “(II) in need of restoration; and

5 “(ii) which projects will provide—

6 “(I) the greatest benefit to the

7 protection of human life and struc-

8 tures in the wildland-urban interface;

9 and

10 “(II) the greatest protection of

11 municipal water supplies.

12 “(4) LIMITATION ON COLLECTION OF BIOMASS

13 FOR ENVIRONMENTAL BENEFIT.—As a condition on

14 the receipt of a payment under this subsection, a

15 producer or person described in subparagraph (A) or

16 (B) of paragraph (1), respectively, shall leave uncol-

17 lected and unharvested not less than 30 percent, as

18 determined appropriate by the Secretary, of the

19 woody eligible material.”; and

20 (E) in paragraph (5) (as redesignated by

21 subparagraph (C))—

22 (i) in the paragraph heading, by strik-

23 ing “BCAP” and inserting “PROGRAM”; and

24 (ii) by striking “BCAP” and inserting

25 “program”; and

1 (6) in subsection (f)—

2 (A) in paragraph (1), by striking “Of the
3 funds” and all that follows through the period
4 at the end and inserting the following:

5 “(A) MANDATORY FUNDING.—Of the
6 funds of the Commodity Credit Corporation, the
7 Secretary shall use to carry out this section
8 \$70,000,000 for each of fiscal years 2019
9 through 2023.

10 “(B) DISCRETIONARY FUNDING.—There is
11 authorized to be appropriated to the Secretary
12 to carry out this section \$20,000,000 for each
13 of fiscal years 2019 through 2023.”; and

14 (B) in paragraph (2), by striking “the Sec-
15 retary shall use not less than 10 percent, nor
16 more than 50 percent, of the amount” and in-
17 serting the following: “the Secretary shall use—

18 “(A) not less than \$50,000,000 to make
19 transportation payments for hazardous woody
20 fuel reduction projects under subsection (d)(3);
21 and

22 “(B) not less than 10 percent, and not
23 greater than 50 percent, of the remaining
24 amount”.

1 **SEC. 9. COMMUNITY WOOD ENERGY PROGRAM.**

2 Section 9013(e) of the Farm Security and Rural In-
3 vestment Act of 2002 (7 U.S.C. 8113(e)) is amended by
4 striking “2018” and inserting “2023”.

5 **SEC. 10. EFFECTIVE DATE.**

6 The amendments made by this Act take effect on Oc-
7 tober 1, 2018.

