



Farm Bill Legislative Side-By-Side

ADVANCED BIOFUEL PAYMENT PROGRAM

Program Description

The USDA Rural Development's [Advanced Biofuel Payment Program](#) aims to expand the production of advanced biofuels by paying entities that produce finished advanced biofuel products.

Climate Highlights

The Advanced Biofuel Payment Program pays biofuel producers for advanced biofuels, which are biofuels derived from non-food-based renewable biomass feedstocks (corn is therefore excluded). Advanced biofuels can be used to replace fossil fuels and reduce greenhouse gas emissions by at least [50 percent](#) compared with fossil fuels.

Funding

The 2018 Farm Bill ([P.L.115-334](#)) authorized mandatory annual funding of \$7 million and discretionary annual funding of \$20 million for the program through fiscal year (FY) 2023. Mandatory funding levels were maintained through FY 2024. Congress did not provide any discretionary funding for the program in FY 2023 or FY 2024.

Legislative Side-By-Side

The following Side-by-Side compares the House and Senate versions of the Farm Bill’s Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program with current law. Underlined text indicates suggested additions to current law. ~~Struck text~~ indicates suggested deletions to current law. “No change” indicates that the entire section was left unaltered.

Current Law 7 USC §8105 (October 2022)	House Version House Agriculture Committee amended text pages 728 – 729 (May 2024)	Senate Version
(a) Definition of eligible producer In this section, the term "eligible producer" means a producer of advanced biofuels.	No change	This resource will be updated as the Senate legislative Farm Bill text is released.
(b) Payments The Secretary shall make payments to eligible producers to support and ensure an expanding production of advanced biofuels.	No change	
(c) Contracts To receive a payment, an eligible producer shall- <ol style="list-style-type: none"> (1) enter into a contract with the Secretary for production of advanced biofuels; and (2) submit to the Secretary such records as the Secretary may require as evidence of the production of advanced biofuels. 	No change	
(d) Basis for payments The Secretary shall make payments under this section to eligible producers based on- <ol style="list-style-type: none"> (1) the quantity and duration of production by the eligible producer of an advanced biofuel; (2) the net nonrenewable energy content of the advanced biofuel, if sufficient data is available, as determined by the Secretary; and (3) other appropriate factors, as determined by the Secretary. 	No change	
(e) Equitable distribution (1) Amount The Secretary shall limit the amount of payments that may be received by a single eligible producer under this section in order	No change	

<p>to distribute the total amount of funding available in an equitable manner.</p> <p>(2) Feedstock The total amount of payments made in a fiscal year under this section to one or more eligible producers for the production of advanced biofuels derived from a single eligible commodity, including intermediate ingredients of that single commodity or use of that single commodity and its intermediate ingredients in combination with another commodity, shall not exceed one-third of the total amount of funds made available under subsection (g).</p>		
<p>(f) Other requirements To receive a payment under this section, an eligible producer shall meet any other requirements of Federal and State law (including regulations) applicable to the production of advanced biofuels.</p>	No change	
<p>(g) Funding</p> <p>(1) Mandatory funding Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to remain available until expended-</p> <ul style="list-style-type: none"> (A) \$55,000,000 for fiscal year 2009; (B) \$55,000,000 for fiscal year 2010; (C) \$85,000,000 for fiscal year 2011; (D) \$105,000,000 for fiscal year 2012; (E) \$15,000,000 for each of fiscal years 2014 through 2018; and (F) \$7,000,000 for each of fiscal years 2019 through 2023. <p>(2) Discretionary funding In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2019 through 2023.</p> <p>(3) Limitation Of the funds provided for each fiscal year, not more than 5 percent of the funds shall be made available to eligible producers for production at facilities with a total refining capacity exceeding 150,000,000 gallons per year.</p>	<p>(g) Funding</p> <p>(1) Mandatory funding Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to remain available until expended-</p> <ul style="list-style-type: none"> (A) \$55,000,000 for fiscal year 2009; (B) \$55,000,000 for fiscal year 2010; (C) \$85,000,000 for fiscal year 2011; (D) \$105,000,000 for fiscal year 2012; (E) \$15,000,000 for each of fiscal years 2014 through 2018; and (F) \$7,000,000 for each of fiscal years 2019 through 20232029. <p>(2) Discretionary funding In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2019 through 20232029.</p> <p>(3) Limitation Of the funds provided for each fiscal year, not more than 5 percent of the funds shall be made available to eligible producers for production at facilities with a total refining capacity exceeding 150,000,000 gallons per year.</p>	

This resource will be updated as the House and Senate legislative Farm Bill texts are released.

This fact sheet is available electronically (with hyperlinks and endnotes) at www.eesi.org/papers.

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Environmental and Energy Study Institute (EESI) · 1020 19th Street, NW, Suite 400, Washington, DC 20036 · (202) 628-1400 · eesi@eesi.org · www.eesi.org