

(7) Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out the program \$300,000,000 for each of fiscal years 2021 through 2025.

(Pub. L. 116-260, div. Z, title III, §3004, Dec. 27, 2020, 134 Stat. 2504.)

CODIFICATION

Section was enacted as part of the Energy Act of 2020, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

APPLICATION

Provisions of section 3212 of this title applicable to construction, alteration, or repair work of demonstration projects funded by grants or contracts authorized under this section, see section 9006(b) of div. Z of Pub. L. 116-260, set out as a note under section 16237 of this title.

PART D—AGRICULTURAL BIOMASS RESEARCH AND DEVELOPMENT PROGRAMS

§ 16251. Production incentives for cellulosic biofuels**(a) Purpose**

The purpose of this section is to—

- (1) accelerate deployment and commercialization of biofuels;
- (2) deliver the first 1,000,000,000 gallons in annual cellulosic biofuels production by 2015;
- (3) ensure biofuels produced after 2015 are cost competitive with gasoline and diesel; and
- (4) ensure that small feedstock producers and rural small businesses are full participants in the development of the cellulosic biofuels industry.

(b) Definitions

In this section:

(1) Cellulosic biofuels

The term “cellulosic biofuels” means any fuel that is produced from cellulosic feedstocks.

(2) Eligible entity

The term “eligible entity” means a producer of fuel from cellulosic biofuels the production facility of which—

- (A) is located in the United States;
- (B) meets all applicable Federal and State permitting requirements; and
- (C) meets any financial criteria established by the Secretary.

(c) Program**(1) Establishment**

The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Defense, and the Administrator of the Environmental Protection Agency, shall establish an incentive program for the production of cellulosic biofuels.

(2) Basis of incentives

Under the program, the Secretary shall award production incentives on a per gallon basis of cellulosic biofuels from eligible entities, through—

- (A) set payments per gallon of cellulosic biofuels produced in an amount determined

by the Secretary, until initiation of the first reverse auction; and

- (B) reverse auction thereafter.

(3) First reverse auction

The first reverse auction shall be held on the earlier of—

- (A) not later than 1 year after the first year of annual production in the United States of 100,000,000 gallons of cellulosic biofuels, as determined by the Secretary; or
- (B) not later than 3 years after August 8, 2005.

(4) Reverse auction procedure**(A) In general**

On initiation of the first reverse auction, and each year thereafter until the earlier of the first year of annual production in the United States of 1,000,000,000 gallons of cellulosic biofuels, as determined by the Secretary, or 10 years after August 8, 2005, the Secretary shall conduct a reverse auction at which—

- (i) the Secretary shall solicit bids from eligible entities;
- (ii) eligible entities shall submit—
 - (I) a desired level of production incentive on a per gallon basis; and
 - (II) an estimated annual production amount in gallons; and

(iii) the Secretary shall issue awards for the production amount submitted, beginning with the eligible entity submitting the bid for the lowest level of production incentive on a per gallon basis and meeting such other criteria as are established by the Secretary, until the amount of funds available for the reverse auction is committed.

(B) Amount of incentive received

An eligible entity selected by the Secretary through a reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced and sold by the entity during the first 6 years of operation.

(C) Commencement of production of cellulosic biofuels

As a condition of the receipt of an award under this section, an eligible entity shall enter into an agreement with the Secretary under which the eligible entity agrees to begin production of cellulosic biofuels not later than 3 years after the date of the reverse auction in which the eligible entity participates.

(d) Limitations

Awards under this section shall be limited to—

- (1) a per gallon amount determined by the Secretary during the first 4 years of the program;
- (2) a declining per gallon cap over the remaining lifetime of the program, to be established by the Secretary so that cellulosic biofuels produced after the first year of annual cellulosic biofuels production in the United States in excess of 1,000,000,000 gallons are cost competitive with gasoline and diesel;

(3) not more than 25 percent of the funds committed within each reverse auction to any 1 project;

(4) not more than \$100,000,000 in any 1 year; and

(5) not more than \$1,000,000,000 over the lifetime of the program.

(e) Priority

In selecting a project under the program, the Secretary shall give priority to projects that—

(1) demonstrate outstanding potential for local and regional economic development;

(2) include agricultural producers or cooperatives of agricultural producers as equity partners in the ventures; and

(3) have a strategic agreement in place to fairly reward feedstock suppliers.

(f) Authorizations of appropriations

There is authorized to be appropriated to carry out this section \$250,000,000.

(Pub. L. 109-58, title IX, §942, Aug. 8, 2005, 119 Stat. 878.)

§ 16252. Education

(1) In general

The Architect of the Capitol shall establish in the Capitol Complex a program of public education regarding use by the Architect of the Capitol of biobased products.

(2) Purposes

The purposes of the program shall be—

(A) to establish the Capitol Complex as a showcase for the existence and benefits of biobased products; and

(B) to provide access to further information on biobased products to occupants and visitors.

(Pub. L. 109-58, title IX, §943(c), Aug. 8, 2005, 119 Stat. 881.)

§ 16253. Small business bioproduct marketing and certification grants

(a) In general

Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the “Secretary”) shall make available on a competitive basis grants to eligible entities described in subsection (b) for the biobased product marketing and certification purposes described in subsection (c).

(b) Eligible entities

(1) In general

An entity eligible for a grant under this section is any manufacturer of biobased products that—

(A) proposes to use the grant for the biobased product marketing and certification purposes described in subsection (c); and

(B) has not previously received a grant under this section.

(2) Preference

In making grants under this section, the Secretary shall provide a preference to an eligible entity that has fewer than 50 employees.

(c) Biobased product marketing and certification grant purposes

A grant made under this section shall be used—

(1) to provide working capital for marketing of biobased products; and

(2) to provide for the certification of biobased products to—

(A) qualify for the label described in section 8102(b) of title 7; or

(B) meet other biobased standards determined appropriate by the Secretary.

(d) Matching funds

(1) In general

Grant recipients shall provide matching non-Federal funds equal to the amount of the grant received.

(2) Expenditure

Matching funds shall be expended in advance of grant funding, so that for every dollar of grant that is advanced, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) Amount

A grant made under this section shall not exceed \$100,000.

(f) Administration

The Secretary shall establish such administrative requirements for grants under this section, including requirements for applications for the grants, as the Secretary considers appropriate.

(g) Authorizations of appropriations

There are authorized to be appropriated to make grants under this section—

(1) \$1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each of fiscal years 2007 through 2015.

(Pub. L. 109-58, title IX, §944, Aug. 8, 2005, 119 Stat. 881; Pub. L. 113-79, title IX, §9002(b), Feb. 7, 2014, 128 Stat. 928.)

AMENDMENTS

2014—Subsec. (c)(2)(A). Pub. L. 113-79 substituted “section 8102(b)” for “section 8102(h)(1)”.

§ 16254. Regional bioeconomy development grants

(a) In general

Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the “Secretary”) shall make available on a competitive basis grants to eligible entities described in subsection (b) for the purposes described in subsection (c).

(b) Eligible entities

An entity eligible for a grant under this section is any regional bioeconomy development association, agricultural or energy trade association, or Land Grant institution that—

(1) proposes to use the grant for the purposes described in subsection (c); and

(2) has not previously received a grant under this section.

(c) Regional bioeconomy development association grant purposes

A grant made under this section shall be used to support and promote the growth and develop-