

119TH CONGRESS  
1ST SESSION

# H. R. 3253

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.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2025

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

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## 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 2025”.

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”; 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 nated)—

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 (c)(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 (c)(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”; and

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

24                               “(v) \$100,000,000 for each of fiscal  
25                               years 2026 through 2030.”; 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 2026 through 2030  
6                   under subparagraph (A)”; and  
7                   (B) in paragraph (2), by striking “2023”  
8                   and inserting “2030”;  
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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