WASHINGTON, July 16, 2015 – Agriculture Secretary Tom Vilsack today announced that USDA is accepting applications for funding under a program that supports the production of advanced biofuels, renewable chemicals, and biobased product manufacturing.

"This critical financing will enhance our efforts to build a robust, rural bioeconomy by helping to expand the availability of biobased products and to increase the number of commercial-scale biorefineries in the country," Vilsack said. "In addition to the available funding, I am proud to announce that USDA has significantly improved the biorefinery program to help create lasting job opportunities in rural America."

USDA is making the funding available through the Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program. It was formerly known as the Biorefinery Assistance Program.

The new program provides loan guarantees of up to $250 million to construct and retrofit commercial-scale biorefineries and to develop renewable chemicals and biobased product manufacturing facilities. Vilsack and USDA Rural Business-Cooperative Service Administrator Lillian Salerno today hosted a seminar at USDA headquarters to discuss changes to the program and the opportunities available to produce more biobased products.

Two funding cycles are being held. Applications for round one are due October 1. Applications for the second round are due April 1, 2016. For information on how to apply, see page 38432 of the July 6, 2015 Federal Register.

USDA has made significant improvements to the program. Biorefineries are now able to receive funding to produce more renewable chemicals and other biobased products in addition to advanced biofuels.

Also, biobased product manufacturing facilities are eligible to convert renewable chemicals and other biobased outputs into "end-user" products. Further, USDA has streamlined the application process.

Sapphire Energy's "Green Crude Farm" in Columbus, N.M., is an example of how USDA funding and partnerships with the private sector are helping to support the development of biorefineries. In 2011, USDA provided Sapphire Energy a $54.5 million loan guarantee to build a refined algal oil commercial facility. The plant opened in May 2012 and is producing renewable algal oil that can be further refined to replace petroleum-derived diesel and jet fuel. According to the company, more than 600 jobs were created throughout the first phase of construction at the facility, and 30 full-time employees currently operate the plant. After Sapphire received additional equity from private investors, it repaid the remaining balance on its USDA-backed loan in 2013.

USDA released a new report on June 17 that shows America's biobased industry is generating substantial economic activity and creating American jobs. According to the report, the U.S. biobased industry contributed four million jobs and nearly $370 billion to the American economy in 2013 alone.

Today's funding announcement was made possible by the 2014 Farm Bill, which builds on historic economic gains in rural America over the past five years while achieving meaningful reform and billions of dollars in savings for taxpayers. USDA has made significant progress to implement each provision of this critical legislation, including providing disaster relief to farmers and ranchers; strengthening risk management tools; expanding access to rural credit; funding critical research; establishing innovative public-private conservation partnerships; developing new markets for rural-made products; and investing in infrastructure, housing and community facilities to help improve quality of life.

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