Summary

Title IX, the Energy title of the 2014 farm bill (Agricultural Act of 2014; P.L. 113-79), contains authority for the bioenergy programs administered by the U.S. Department of Agriculture (USDA). USDA renewable energy programs have incentivized research, development, and adoption of renewable energy projects, including solar, wind, and anaerobic digesters. However, the primary focus of USDA renewable energy programs has been to promote U.S. biofuels production and use—including corn starch-based ethanol, cellulosic ethanol, and soybean-based biodiesel.

Corn starch-based ethanol dominates the U.S. biofuels industry. The previous 2008 farm bill (P.L. 110-246) had attempted to refocus U.S. biofuels policy initiatives in favor of non-corn feedstocks, especially the development of the cellulosic biofuels industry. The most critical programs to this end are the Bioenergy Program for Advanced Biofuels, which pays producers for production of eligible advanced biofuels; the Biorefinery Assistance Program, which assists in the development of new and emerging technologies for advanced biofuels; the Biomass Crop Assistance Program (BCAP), which assists farmers in developing nontraditional crops for use as feedstocks for the eventual production of cellulosic biofuels; and the Renewable Energy for America Program (REAP), which has funded a variety of biofuels-related projects, including the installation of blender pumps to help circumvent the emerging "blend wall" that has effectively circumscribed domestic ethanol consumption near current levels of about 13 billion gallons annually.

All of the major farm bill energy programs expired at the end of FY2013 and lacked baseline funding going forward. The enacted 2014 farm bill extends most of the renewable energy provisions of the 2008 farm bill with new funding authority, with the exception of the Rural Energy Self-Sufficiency Initiative, the Forest Biomass for Energy Program, the Biofuels Infrastructure Study, and the Renewable Fertilizer Study, which are either omitted or repealed. In addition, P.L. 113-79 includes a new provision which precludes the use of REAP funding for any mechanism for dispensing energy at the retail level (e.g., blender pumps). Also, despite several amendments to the contrary, and its explicit exclusion from all financial support in the House-passed version of the farm bill (H.R. 2642), BCAP funding for the Collection, Harvest, Storage, and Transportation (CHST) component is retained in P.L. 113-79. Elimination of CHST support would likely have severely limited BCAP's potential effectiveness as an incentive to produce cellulosic feedstocks. Finally, P.L. 113-79 adds a new reporting requirement on energy use and efficiency at USDA facilities.

Over the five-year reauthorization period (FY2014-FY2018), the 2014 farm bill contains a total of $694 million in new mandatory funding and authorizes discretionary funding (i.e., subject to annual appropriations) of $765 million for the various farm bill renewable energy programs. This contrasts with the previous 2008 farm bill, which had authorized slightly over $1 billion in mandatory funding for a five-year period (FY2008-FY2012) and $1.7 billion in discretionary appropriations to Title IX energy programs.