(j) Funding

(1) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(2) Funding for testing of biobased products

(A) In general

Of the funds of the Commodity Credit Corporation, the Secretary shall use $1,000,000 for each of fiscal years 2002 through 2007 to support testing of biobased products to carry out this section.

(B) Use of funds

Amounts made available under subparagraph (A) may be used to support contracts or cooperative agreements with entities that have experience and special skills to conduct such testing.

(C) Priority

At the discretion of the Secretary, the Secretary may give priority to the testing of products for which private sector firms provide cost sharing for the testing.

(Pub. L. 107–171, title IX, § 9002, May 13, 2002, 116 Stat. 476.)

§ 8103. Biorefinery development grants

(a) Purpose

The purpose of this section is to assist in the development of new and emerging technologies for the use of biomass, including lignocellulosic biomass, so as to—

(1) develop transportation and other fuels, chemicals, and energy from renewable sources;

(2) increase the energy independence of the United States;

(3) provide beneficial effects on conservation, public health, and the environment;

(4) diversify markets for raw agricultural and forestry products; and

(5) create jobs and enhance the economic development of the rural economy.

(b) Definitions

In this section:

(1) Advisory Committee

The term ''Advisory Committee'' means the Biomass Research and Development Technical Advisory Committee established by section 306 of the Biomass Research and Development Act of 2000 [7 U.S.C. 8101 note] (Public Law 106–224).

(2) Biorefinery

The term ''biorefinery'' means equipment and processes that—

(A) convert biomass into fuels and chemicals; and

(B) may produce electricity.

(3) Board

The term ''Board'' means the Biomass Research and Development Board established by section 305 of the Biomass Research and Development Act of 2000 [7 U.S.C. 8101 note] (Public Law 106–224).

(4) Indian tribe

The term ''Indian tribe'' has the meaning given the term in section 450b of title 25.

(c) Grants

The Secretary shall award grants to eligible entities to assist in paying the cost of development and construction of biorefineries to carry out projects to demonstrate the commercial viability of 1 or more processes for converting biomass to fuels or chemicals.

(d) Eligible entities

An individual, corporation, farm cooperative, association of farmers, national laboratory, institution of higher education (as defined in section 1001 of title 20), State or local energy agency or office, Indian tribe, or consortium comprised of any of those entities shall be eligible to receive a grant under subsection (c) of this section.

(e) Competitive basis for awards

(1) In general

The Secretary shall award grants under subsection (c) of this section on a competitive basis after consulting the Board and Advisory Committee.

(2) Selection criteria

(A) In general

In selecting projects to receive grants under subsection (c) of this section, the Secretary—

(i) shall select projects based on the likelihood that the projects will demonstrate the commercial viability of a new and emerging process for converting biomass into fuels, chemicals, or energy; and

(ii) may consider the likelihood that the projects will produce electricity.

(B) Factors

The factors to be considered under subparagraph (A) may include—

(i) the potential market for the product or products;

(ii) the level of financial participation by the applicants;

(iii) the availability of adequate funding from other sources;

(iv) the beneficial impact on resource conservation, public health, and the environment;

(v) the participation of producer associations and cooperatives;

(vi) the timeframe in which the project will be operational;

(vii) the potential for rural economic development;

(viii) the participation of multiple eligible entities; and

(ix) the potential for developing advanced industrial biotechnology approaches.

(f) Cost sharing

(1) In general

The amount of a grant for a project awarded under subsection (c) of this section shall not exceed 30 percent of the cost of the project.

(2) Form of grantee share

(A) In general

The grantee share of the cost of a project may be made in the form of cash or the provision of services, material, or other in-kind contributions.

(B) Limitation

The amount of the grantee share of the cost of a project that is made in the form of the provision of services, material, or other in-kind contributions shall not exceed 25 percent of the amount of the grantee share determined under paragraph (1).

(g) Consultation

In carrying out this section, the Secretary shall consult with the Secretary of Energy.

(h) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2002 through 2007.

(Pub. L. 107–171, title IX, § 9003, May 13, 2002, 116 Stat. 478.)

§ 8104. Biodiesel fuel education program

(a) Establishment

The Secretary shall, under such terms and conditions as are appropriate, make competitive grants to eligible entities to educate governmental and private entities that operate vehicle fleets, other interested entities (as determined by the Secretary), and the public about the benefits of biodiesel fuel use.

(b) Eligible entities

To receive a grant under subsection (a) of this section, an entity—

(1) shall be a nonprofit organization or institution of higher education (as defined in section 1001 of title 20);

(2) shall have demonstrated knowledge of biodiesel fuel production, use, or distribution; and

(3) shall have demonstrated the ability to conduct educational and technical support programs.

(c) Consultation

In carrying out this section, the Secretary shall consult with the Secretary of Energy.

(d) Funding

Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section $1,000,000 for each of fiscal years 2003 through 2007.

(Pub. L. 107–171, title IX, § 9004, May 13, 2002, 116 Stat. 480.)

§ 8105. Energy audit and renewable energy development program

(a) In general

The Secretary shall make competitive grants to eligible entities to carry out a program to assist farmers, ranchers, and rural small businesses in becoming more energy efficient and in using renewable energy technology and resources.

(b) Eligible entities

Entities eligible to carry out a program under subsection (a) of this section are—

(1) a State energy or agricultural office;

(2) a regional or State-based energy organization or energy organization of an Indian tribe (as defined in section 450b of title 25);

(3) a land-grant college or university (as defined in section 3103 of this title) or other institution of higher education (as defined in section 1001 of title 20);

(4) a rural electric cooperative or utility;

(5) a nonprofit organization; and

(6) any other entity, as determined by the Secretary.

(c) Merit review

(1) Merit review process

The Secretary shall establish a merit review process to review applications for grants under subsection (a) of this section that uses the expertise of other Federal agencies, industry, and nongovernmental organizations.

(2) Selection criteria

In reviewing applications of eligible entities to receive grants under subsection (a) of this section, the Secretary shall consider—

(A) the ability and expertise of the eligible entity in providing professional energy audits and renewable energy assessments;

(B) the geographic scope of the program proposed by the eligible entity;

(C) the number of farmers, ranchers, and rural small businesses to be assisted by the program;

(D) the potential for energy savings and environmental and public health benefits resulting from the program; and

(E) the plan of the eligible entity for educating farmers, ranchers, and rural small businesses on the benefits of energy efficiency and renewable energy development.

(d) Use of grant funds

(1) Required uses

A recipient of a grant under subsection (a) of this section shall use the grant funds to conduct and promote energy audits for farmers, ranchers, and rural small businesses to provide farmers, ranchers, and rural small businesses recommendations on how to improve energy efficiency and use renewable energy technology and resources.

(2) Permitted uses

In addition to the uses described in paragraph (1), a recipient of a grant may use the grant funds to make farmers, ranchers, and rural small businesses aware of, and ensure that they have access to—

(A) financial assistance under section 8106 of this title; and

(B) other Federal, State, and local financial assistance programs for which farmers, ranchers, and rural small businesses may be eligible.

(e) Cost sharing

A recipient of a grant under subsection (a) of this section that conducts an energy audit for a farmer, rancher, or rural small business under subsection (d)(1) of this section shall require that, as a condition of the energy audit, the farmer, rancher, or rural small business pay at least 25 percent of the cost of the audit.