

# United States Senate

WASHINGTON, DC 20510

April 20, 2007

The Honorable Herb Kohl  
Chairman  
Senate Appropriations Committee,  
Subcommittee on Agriculture, Rural  
Development, Food and Drug Administration,  
and Related Agencies  
Senate Dirksen 188  
Washington, DC 20510

The Honorable Robert Bennett  
Ranking Member  
Senate Appropriations Committee,  
Subcommittee on Agriculture, Rural  
Development, Food and Drug Administration,  
and Related Agencies  
Senate Dirksen 188  
Washington, DC 20510

Dear Chairman Kohl and Ranking Member Bennett:

We are writing to urge you to provide additional funding in FY 2008 for two successful energy-related programs. The Renewable Energy Systems and Energy Efficiency Improvements Program, section 9006 of the Farm Security and Rural Investment Act, should have funding of not less than \$60 million. Not less than \$100 million should be provided under the Biomass Research and Development Act of 2000 (as amended).

Our nation's agricultural producers and rural businesses are increasingly relying on section 9006 to help them produce clean energy, cut costs, reduce oil imports and boost economic development. As a result, demand for this popular program continues to far outpace available resources, with applications for grants and loan guarantees exceeding funding by a three to one margin in recent years.

The Renewable Energy Systems and Energy Efficiency Improvements Program (section 9006) would receive \$23 million, in the FY2007 continuing resolution, is funded at \$34 million in the FY08 budget request and, in fact, also has support from the President's 2007 farm bill proposal, which calls for a funding increase to \$500 million over the next ten years. The program already is a strong success, having leveraged nearly one billion dollars in investments in its first four years. Sec. 9006 has invested \$87 million in grants and \$24 million in loan guarantees for over 800 renewable energy and energy efficiency projects in 42 states.

Solutions to current climate, environmental, and fossil fuel price and availability concerns require a rapid growth in domestic biofuels production. Central to achieving this requisite growth is research in regionally appropriate and diverse feedstocks; conversion technologies; transportation, logistics and storage; and the development and use of co-products, especially

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'dried distiller grains'. The leading program to fund this research is the Biomass Research and Development Act of 2000. The President's proposed FY2008 budget provides no specific funding for this program, but the USDA's farm bill proposal includes up to \$650 million over 10 years for similar purposes.

We recognize that the Subcommittee faces budgetary restraints, and we believe that funding for these valuable national programs is a reasonable priority within a fiscally responsible appropriations bill. With strong bipartisan national interest in agriculture-based energy solutions, we urge you to include not less than \$60 million for the Renewable Energy Systems and Energy Efficiency Improvements program, section 9006, and \$100 million for the Biomass Research and Development program.

Sincerely,

Tom Harkin

Rick Lugar

Ken Salazar

Barack

Norm Feingold

Jon Kyl

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