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Biofuels Statutory Citations

United States Federal Laws

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United States Federal Biofuels Statutory Citations

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This compilation of federal statutory citations focuses predominantly on biofuels laws in effect January 1, 1970 through December 31, 2007. In some instances, regulations have been included in the compilation due to their significance. This compilation is intended to serve as a researcher-friendly inventory of federal laws by providing the formal title of relevant legislation, the standard legal citation for each statute and a brief description of the law. Some statutes and regulations listed, such as the Trans-Alaska Pipeline Authorization Act, do not specifically relate to biofuels but are included because of their complementary relationship to the evolution of biofuels law in the U.S.

Each state in the United States has also enacted statutes relating to biofuels. To review a compilation of citations for each state's biofuels laws, see the **States' Biofuel Statutory Citations**.

Title of Legislation (Year Enacted)	**Citation**	**Description**
The Clean Air Act (1970)	Pub. L. No. 91-604, 84 Stat. 1705 (1970) (codified as amended at 42 U.S.C. §§ 7401-7642 (2000))	The first major legislation aimed at reducing air pollutants. Includes strategies such as requiring auto manufacturers to adopt new pollution control devices that reduce emissions from combustion and forcing the petroleum industry to produce cleaner fuels.
The Trans-Alaska Pipeline Authorization Act (1973)	Pub. L. No. 93-153, Sec. 202, 87 Stat. 584 (1973)	Funded the Alaskan pipeline and created the strategic petroleum reserve.
Energy Policy and Conservation Act (1975)	Pub. L. No. 94-163, sec. 301, 89 Stat. 871 (1975) (codified as amended at 49 U.S.C. §§ 32906-32919 (2006))	Congress set fuel efficiency standards for the automobile industry, adopted building energy efficiency standards, and required government motor fleets to purchase alternative-fueled vehicles.
The National Energy Act of 1978	The National Energy Act of 1978 is the umbrella title to a series of statues enacted in the Fall of 1978.	Congressional answer to the 1973 Energy Crisis. Includes: Public Utilities Regulatory Policies Act (Pub. L. No. 95-617); Energy Tax Act (Pub. L. No. 95-618); Power Plant and Industrial Fuel Use Act (Pub. L. No. 95-620); Natural Gas Policy Act (Pub. L. No. 95-621)

Energy Tax Act of 1978	Pub. L. No. 95-618, 92 Stat. 3174 (1978)	Tax credit to encourage more investment in ethanol industry and increase ethanol production. The National Energy Act of 1978 is the umbrella title to a series of statues enacted in the Fall of 1978. The ethanol tax provisions are in the Energy Tax Act of 1978.
Energy Security Act of 1980	Pub. L. No.96-294, 94 Stat. 611 (1980)	Enacted to offer insured loans to small ethanol plants producing less than 1M gallons per year. The Sec. of Ag and the Sec. of Energy were ordered to prepare a plan that would increase ethanol production to at least 10% of total gasoline supply by the end of 1990.
Import Duty for Fuel Ethanol (1980)	Made up of several key pieces of legislation	Omnibus Reconciliation Act of 1980 (Pub. L. No. 96-499); Tax Reformation Act of 1968, Title IV, Subtitle C (Pub. L. No. 99-514); Nursing Relieve for Disadvantaged Areas Reauthorization Act of 2005 (Pub. L. No. 109-423). See also Harmonized Tariff Schedule No. 99010050.
Crude Oil Windfall Profit Tax Act (1980)	Pub. L. No. 96-223, 94 Stat. 229 (1980)	Provided a tax credit of $3 per barrel of tar sands oil-equivalent to producers of alternative energy sources. Congress intended to use a substantial portion of the revenues from the windfall profit tax of crude oil to finance the tax credit for alternative fuels. The Omnibus Trade and Competitiveness Act of 1988 repealed the Crude Oil Windfall Profit Tax Act.
Caribbean Basin Initiative (CBI) (1983)	Pub. L. No. 98-67, 97 Stat. 369 (1983) (codified as amended at 19 U.S.C. §§ 2701-2707 (2000))	Congress had previously enacted a special duty on fuel ethanol imports to offset the value of the federal tax exemption so foreign ethanol producers could not benefit from the exemption. Duty-free treatment for eligible articles, including ethanol, was granted to 22 Caribbean Basin countries and territories in Jan. 1984, under the CBI.
Deficit Reduction Act of 1984	Pub. L. No. 98-369, 98 Stat. 494 (1984)	Set motor fuel excise tax credit at $0.60 per gallon.

Alternative Motor Fuels Act (1988)	Pub. L. No. 100-494, 104 Stat. 2441 (1988)	Congressional attempt to increase the use of ethanol by encouraging automakers to produce cars fueled by alternative fuels, including an ethanol/gasoline blend containing 85% ethanol called E85. Act provides credits to automakers towards meeting their corporate average fuel efficiency (CAFE) standards. Automakers can lower their average fuel economy requirements by receiving credits for producing alternative-fueled vehicles and dual-fuel vehicles that meet government requirements.
Steel Trade Liberalization Program Implementation Act of 1989	Pub. L. No. 101-221, 103 Stat. 1886 (1989) (codified at 19 U.S.C. sec. 2253)	Limits the amount of ethanol CBI countries can import into the US unless the ethanol is made from indigenous products. Ethanol not made from indigenous products may still be exported by CBI countries duty-free; however, the total amount exported to the US cannot exceed 60M gallons per year or 7% (which ever is greater) of US annual ethanol consumption.
Omnibus Budge Reconciliation Act (1990)	Pub. L. No. 101-508, 104 Stat. 1388 (1990)	Increased the federal excise tax on gasoline from \$0.091 to \$0.141 per gallon, and the tax on ethanol increased from \$0.031 to \$0.087 per gallon, effectively lowering the motor fuel tax credit for ethanol to \$0.54 per gallons. The expiration date for the new tax rates was extended to 2002. The Act also provided a \$0.10 per gallon payment to small ethanol producers with a capacity of 30M gallons or less, creating the Small Ethanol Producer Tax Credit.

State Energy Efficiency Programs Improvement Act of 1990	Pub. L. No. 101-440, 104 Stat. 1011 (1990)	Created in 1996 by consolidating 2 other programs: the State Energy Conservation Program and the Institutional Conservation Program (both originally created in 1975). State Energy Program (SEP) Funding provides grants to states to assist in designing, developing, and implementing renewable energy and energy efficiency programs. Funding is direction to state energy offices, which manage SEP projects. There are 5 key pieces of legislation which provide the framework for SEP as we know it today: The Energy Policy and Conservation Act of 1975; The Energy Conservation and Production Act of 1976; The Warner Amendment of 1983; The State Energy Efficiency Programs Improvement Act of 1990; and The Energy Policy Act of 1992.
The Clean Air Act Amendments of 1990	Pub. L. No. 101-549, 104 Stat. 2399 (1990) (codified as amended at 42 U.S.C. §§ 7401-7642 (2000))	Established the Oxygenated Fuels Program and the Reformulated Gasoline (RFG) Program to control carbon monoxide and ozone problems in certain urban areas around the country that were judged to be in "non-attainment." Created the Air Pollution Control Program [42 U.S.C. § 7405].
Intermodal Surface Transportation Act (1991)	Pub. L. No. 102-240, 105 Stat. 1914 (1991)	Posed a major change to transportation planning and policy, as the first U.S. federal legislation on the subject in the post-Interstate Highway System era. Created the Congestion Mitigation and Air Quality (CMAQ) Improvement Program. [23 U.S.C. § 149].
Reformulated Gasoline (RFG) Program (1991)	Regulation of Fuels and Fuel Additives: Standards for Reformulated Gasoline, 56 Fed. Reg. 31176, 31218 (July 9, 1991)	Requires 2% oxygen to be blended with gasoline.

Energy Policy Act of 1992	Pub. L. No. 102-486, 106 Stat. 2776 (1992) (codified as amended at 16 U.S.C. § 824L)	Extended the fuel tax exemption and the blender's income credit to two additional blend rates containing less than 10% ethanol, effective Jan. 1, 1993. The two additional blend rates were for gasoline with at least 7.7% ethanol and for gasoline with at least 5.7% ethanol. - Defines alternative fuels as the following: pure methanol, ethanol, and other alcohols; blends of 85 or more of alcohol with gasoline; natural gas and liquid fuels domestically produced from natural gas; liquefied petroleum gas (propane); coal-derived liquid fuels; hydrogen; electricity; pure biodiesel (B100); fuels, other than alcohol, derived from biological materials; and P-Series fuels. The DOE is authorized to designate other fuels as alternative fuels, provided the fuel is substantially non-petroleum, yields substantial energy security benefits, and offers substantial environmental benefits. [42 U.S.C. § 13211] - Includes State Energy Program (SEP) Funding and the Clean Cities program, which advances the energy, economic and environmental security of the U.S. by supporting local initiatives to adopt practices that reduce the use of petroleum in transportation and promotes alternative fuels, advanced vehicles, fuel blends and fuel economy. - Also includes Vehicle Acquisition and Fuel Use Requirements for State and Alternative Fuel Providers [42 U.S.C. §§ 13251, 13263a], Federal Fleets (sec. 301 of the EPAct as amended in Jan. 2008) [42 U.S.C. § 13212, Exec. Order 13423], and Private and Local Government Fleets [42 U.S.C. § 13257] (which were later exempted in 2004).
Oxygenated Fuels Program (1994)	42 U.S.C. § 7545(m) (1994)	Requires 2% oxygen to be blended with gasoline.
Transportation Equity Act for the 21st Century (1998)	Pub. L. No. 105-178, 112 Stat. 107 (1998)	Extended the ethanol tax credit to 2007. Also reduced the ethanol tax credit to \$0.53 starting in Jan. 2001, reducing it further to \$0.52 in Jan. 2003 and to \$0.51 in Jan. 2005.

Agricultural Risk Protection Act of 2000	Pub. L. No. 106-224, sec. 231, 114 Stat. 358 (2000) (codified at 7 U.S.C. § 1421 (2000))	Created Value Added Grant Program (VAGP) to help farm families and rural businesses develop and market new value-added products, such as ethanol and biodiesel. [7 U.S.C. § 1621].
Farm Security and Rural Investment Act of 2002	Pub. L. No. 107-171, 116 Stat. 134, Title IX (2002)	Contained the first Energy Title in Farm Bill history. Several provisions aimed at supporting ethanol and biodiesel production, including the Value Added Grant Program (VAGP)(amended by sec. 6401 of 2002 Farm Bill), which makes funds available to farm families and rural businesses to help them develop and market new value-added products, such as ethanol and biodiesel. - Renewable Energy Systems and Energy Efficiency Improvement Grant program offers competitive grant funding and guaranteed loans through USDA Rural Development's Section 9006 Energy Program for the purchase of renewable energy systems and energy improvements for agricultural producers and small rural businesses. Eligible projects include biofuels, hydrogen, and energy efficiency improvements. The Section 9006 Energy Program has not been funded for FY2008. [7 U.S.C. § 8106] -Created Biomass Research and Development Initiative. [7 U.S.C. § 8601]. - Biobased Products and Bioenergy Program has the goal of helping to finance technologies that are needed to convert biomass into biobased products and bioenergy in a cost-competitive manner. [7 U.S.C. § 8109].
Biomass Research and Development Act of 2000 (as updated by sec. 9008 of the Farm Security and Rural Investment Act of 2002)	Pub. L. No. 107-171, 116 Stat. 134, sec. 9008 (2002)	Originally passed to fund a competitive grant program aimed at achieving scientific breakthroughs in the development of biofuels, biopower, and bio-based products. The Energy Policy Act of 2005 refines the program's objectives and redirects research emphasis. [7 U.S.C. § 8601].

Vision 100 Century of Aviation Reauthorization Act of 2003	Pub. L. No. 108-176, 117 Stat. 2567 (2003)	Includes the Voluntary Airport Low Emission (VALE) Program to reduce ground level emissions at commercial service airports located in designated ozone and carbon monoxide air quality nonattainment and maintenance areas. Provides funding through the Airport Improvement Program and the Passenger Facility Charges program for the purchase of low-emission vehicles, development of fueling and recharging stations, implementing gate electrification, and other airport air quality improvements. [49 U.S.C. § 40101].
American Job Creation Act of 2004	Pub. L. No. 108-357, 118 Stat. 1418 (2004)	Allowed the Volumetric Ethanol Excise Tax Credit (VEETC) (also known as the "blender's credit") - totaling $0.51 per gallons for pure ethanol, $0.051 per gallons for E10, and $0.42 per gallons for E85 - to replace the partial tax exemption ethanol-blended fuel received from the federal excise tax on gasoline. Funding for the motor fuel tax credit was diverted from the Highway Trust Fund and moved to the general tax fund (an answer to critics that claimed funding the ethanol tax credit thru the HTF takes money away from state highway projects). [26 U.S. Code § 6426]. - Also eliminated the restrictive blend levels (5.7%, 7.7% and 10%) that were designated by the tax code for Clean Air Act requirements, providing more flexibility to oil companies to blend as much or as little ethanol as needed to meet their octane or volume needs. - The Act also extended the VEETC to 2010, which at the time was $0.51 per gallon. Modified the Small Ethanol Producer Tax Credit (IRC § 40(b)(3)) where ethanol producers that manufacture less than 60 million gallons of ethanol per year qualify for a tax credit equaling $0.10 per gallon (maximum of $1.5 million annually) on 15 million gallons of fuel ethanol, allowing the tax credit to be passed-through to farmer owners of ethanol cooperatives. Expires on Dec. 31, 2008. [26 U.S.C. § 40].

Energy Policy Act of 2005	Pub. L. No. 109-58, 119 Stat. 594 (2005)	Overall goal of increasing and diversifying domestic energy production. Created the renewable fuel standard (RFS), requiring U.S. fuel production to include a minimum amount of renewable fuel each year, starting at 4 billion gallons in 2006 and reaching 7.5 billion gallons in 2012. The RFS provision also eliminates the requirement for reformulated gasoline to contain 2% oxygen and establishes a credit trading system, providing individual refiners and fuel blenders the flexibility to use less renewable fuel than required by the RFS and still meet the standard by purchasing credits from those who use more renewable fuel than required. Created the Cellulosic Biomass Program. Also modifies the Small Ethanol Producer Tax Credit by amending the definition of a "small ethanol producer" from 30 million gallons or less to 60 million gallons per year or less. The Act also creates an Alternative Fuel Infrastructure Tax Credit, a 30% tax credit (up to $30k max) for the cost of installing fueling facilities/infrastructure for alternative-fueled vehicles that run on 85% ethanol, natural gas, liquid natural gas, propane, hydrogen, or any blend of diesel fuel and biodiesel containing at least 20% biodiesel. Refines the program objectives of the Biomass Research and Development Act of 2000. - Creates the Small Agri-Biodiesel Producer Tax Credit, an income tax credit of $0.10 per gallon of agri-biodiesel for small producers (less than 60M gallons per year). Other tax incentives, including the Biodiesel Mixture Excise Tax Credit [26 U.S.C. § 6426] and the Biodiesel Income Tax Credit [26 U.S.C. § 40A]. - Vehicle Acquisition and Fuel Use Requirements for State and Alternative Fuel Provider Fleets [42 U.S.C. §§ 13251, 13263a] - Improved Energy Technology Loans (Title XVII): DOE loan guarantee program for projects that reduce air pollution, including biofuels and alternative fuel vehicles. [42 U.S.C. §16513]. - National Clean Diesel Campaign and State Clean Diesel Grant Program: established by the EPA to

		reduce pollution emitted from diesel engines. Includes Clean School Bus USA; Clean Construction USA; Clean Ports USA; and Clean Agriculture USA. First Funded in 2008.
Renewable Fuel Standard (RFS) (2005)	Regulation of Fuels and Fuel Additives: Renewable Fuel Program, 40 C.F.R. Part 80 (May 1, 2007)	Originally passed as part of the Energy Policy Act of 2005. Set requirements for the minimum amount of renewable fuel to be contained in transportation fuel sold in the U.S. The standards increased under the Energy Independence and Security Act of 2007.
Cellulosic Biomass Program (part of the Energy Policy Act of 2005)	Pub. L. No. 109-58, sec. 932, 119 Stat. 594 (2005)	Created to encourage production of cellulosic ethanol. Under this program, every gallon of ethanol made from biomass counts as 2.5 gallons towards satisfying the RFS. Also guarantees loans of up to $250 million per production facility. A $650 million grant program was authorized to fund research on cellulosic and ethanol production, and $550 million was authorized for the Dept. of Energy to create an Advanced Biofuels Technologies Program.

Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (2005)	Pub. L. No. 109-59, 119 Stat. 1144 (2005)	Reauthorized the CMAQ Improvement Program created by the Intermodal Surface Transportation Efficiency Act [23 U.S.C. 149]. -Amends the Clean Fuels Grant Program, which has 2 goals: 1. help non-attainment and maintenance reach reach and maintain NAAQS for ozone and carbon monoxide; 2. support emerging clean fuel and advanced propulsion technologies for transit buses and markets for those technologies. Assists transit agencies in constructing alternative fuel stations and the use of biodiesel. Makes the grants under this program discretionary rather than formula based. [49 U.S.C. 5308]. -Alternative Transportation in Parks and Public Lands Program provides funding to support public transportation projects in parks and on public lands with a goal of reducing congestion and pollution. Eligible projects include capital and planning expenses for alternative transportation systems such as clean fuel shuttle vehicles. [49 U.S.C. 5320]. -Biobased Transportation Research Funding is set aside by the Surface Transportation Research, Development, and Deployment (STRDD) program to carry out biobased research of national importance at research centers through the National Biodiesel Board. [23 U.S.C. 502; 7 U.S.C. 8109].
Tax Relief and Health Care Act of 2006	Pub. L. No. 109-432, sec. 209, 120 Stat. 2922 (2006)	Allows a tax payer to take a depreciation deduction of 50% of the adjusted basis of a new cellulosic ethanol plant in the year it is put in service. The accelerated depreciation applies only to enzymatic cellulosic ethanol plants (as opposed to gasification). Any portion of the cost financed through tax-exempt bonds is exempted from the depreciation allowance. Plants acquired after Dec. 20, 2006 and placed in service before Jan. 1, 2013 qualify. It is administered by the IRS and is effective through Dec. 31, 2012.

Energy Independent and Security Act of 2007	Pub. L. No. 110-140, 121 Stat. 1492 (2007)	Increased requirements under RFS, to 9 billion in 2008, increasing over time to 36 billion gallons in 2022 and lasting into perpetuity, until acted on by Congress. Conventional biofuels (mostly a reference to corn based ethanol) is capped at 15 billion gallons in 2015, and 21 of the 36 billion gallons in 2022 must be derived from advanced biofuel, such as cellulosic and non-corn-based ethanol. Sec. 241 amends the Petroleum Marketing Practices Act to prohibit a franchisor (oil company) from restricting a franchisee from installing E85 infrastructure through a franchise agreement. Sec. 244. authorizes the Sec. of Energy to establish a new program for making grants and providing assistance to retail and wholesale fuel dealers for installation, replacement or conversion of fuel storage and dispensing equipment for renewable fuel blends greater than E10 but less than E85 (subject to appropriations from Congress). Requires the Corporate Average Fuel Economy (CAFE) standard to reach 35 mpg by 2020. Additional requirements for federal fleets, including low GHG emitting vehicle acquisition requirements and renewable fuels infrastructure installation.
Food, Conservation and Energy Act of 2008	Pub. L. No. 110-234, 122 Stat. 923 (2008)	Reauthorizes the CCC Bioenergy Program at $300M for 5 years, which provides support to help offset feedstock costs for bioenergy producers (ethanol produced from corn does not qualify). Also reauthorizes the Biodiesel Education Program at $5M over 5 years. Includes language that authorizes $1 Billion in funds for renewable energy programs and new feedstock production. Reauthorizes many 2002 Farm Bill programs, including the Biomass Research and Development Initiative, and the Biobased Products and Bioenergy Program.

Emergency Economic Stabilization Act/Energy Improvement and Extension Act of 2008 (2008)	Pub. L. No. 110-343, 112 Stat. 3765 (2008)	Extends the income tax credit, blenders excise tax credit and the small producer tax credit that make up the biodiesel tax incentive for one year, through Dec. 31, 2009. Provides that all biodiesel, regardless of what its made from, qualifies for the $1 per gallon biodiesel incentive (effective Jan. 1, 2009), which is a change from biodiesel produced from yellow grease being eligible for a $0.50 per gallons tax incentive. Closes the "splash-and-dash" loophole by providing that fuel produced outside the U.S. for use outside the U.S. does not qualify for the biodiesel tax incentive. Splash and dash is where foreign finished fuel is sent to the U.S.; splash blended to claim the tax incentive; and then shipped to a third country for final use). Excludes co-processed renewable diesel from the $1 renewable diesel tax incentive.