

# Higher Blends Infrastructure Incentive Program

## Background

**U.S. farmers are producing record amounts of feedstocks for renewable fuels. However, lower commodity prices, paired with this record production, have caused uncertain times for U.S. feedstocks producers.**

**Biofuels contribute to energy security, reduce air pollution, support rural economic development and are an important market for U.S. feedstocks producers.**

**In February 2020, Secretary Perdue unveiled the Agricultural Innovation Agenda, a department-wide initiative to align resources, programs and research to position American agriculture to better meet future global demands. Investing in the increased availability of innovative fuels for American consumers supports this vision while we fulfill our motto to “Do Right and Feed Everyone.”**



## Key Points

- USDA designed the Higher Blends Infrastructure Incentive Program (HBIIP) to increase availability of higher blends of ethanol, such as E15 and biodiesel (B20).
  - USDA will provide grants to transportation fueling and biodiesel distribution facilities. These grants will lower the out-of-pocket costs for businesses to install and/or upgrade fuel dispensers, infrastructure (including storage tanks and systems) and related equipment.
  - HBIIP grants will support transportation fueling facilities, such as fueling stations, convenience stores, hypermarket fueling stations, fleet facilities, and similar entities and biodiesel distribution facilities, including biodiesel terminal operations and home heating oil distribution centers or equivalent entities.
  - Expanding the availability of higher-blend biofuels will provide consumers with more choices when they fill up at the pump, including environmentally friendly fuel with decreased emissions. This will drive demand for our farmers and improve air quality.
  - According to the American Coalition for Ethanol, E15 can be used in 90 percent of the cars on the road in the United States today.
  - The American biofuels industry is an exemplary role model in innovation. President Trump is fighting for U.S. corn and soybean growers and ethanol producers by adopting policies to ensure that E15 is available year-round.
  - Since the federal government approved E15 in 2011, consumer use has grown consistently, and especially so since the Environmental Protection Agency approved E15 for year-round use in 2019.
  - The Higher Blends Infrastructure Incentive Program is expected to grow the ethanol market to 15 billion gallons in 2020.
  - USDA plans to make a formal announcement in May of the availability up to \$100 million in competitive grants.
- For additional information, visit: [rd.usda.gov/hbiip](https://rd.usda.gov/hbiip) or contact [anthony.crooks@usda.gov](mailto:anthony.crooks@usda.gov).

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