

March 25, 2026

Secretary Chris Wright
U.S. Department of Energy
1000 Independence Ave SW
Washington, DC, 20585

Secretary Brooke Rollins
U.S. Department of Agriculture
1400 Independence Ave SW
Washington, DC, 20250

Secretary Scott Bessent
U.S. Department of the Treasury
1500 Pennsylvania Ave NW
Washington, DC, 20220

The Honorable Russell Vought
Director, Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503

Secretary Wright, Secretary Rollins, Secretary Bessent, and Director Vought:

American farmers deeply appreciate the Trump Administration's actions to support farmers during an incredibly tenuous time for American agriculture. Actions like the recent Farmer Bridge Assistance Program have provided a crucial opportunity for a return on the 2025 crop, but unfortunately, the outlook for 2026 returns to negative margins. Farmers are facing structural economic issues where projected costs exceed expected revenues. As you know, biofuels are a critical market for American farmers, and tax incentives like the 45Z tax credit are essential policy instruments to secure long-term demand for liquid fuels made from American-grown feedstock. Stable, long-term market incentives will help farmers outpace their global competitors, and allow them to make capital, input, and management decisions that shape the next several growing seasons.

This Administration has committed to putting farmers first and to securing the future of liquid fuels. Ensuring that farmers can reap the potential market benefits of the 45Z tax credit comes at a critical time for farmers across the country.

For 45Z to function as it should, three actions are urgently needed. First, USDA's updated guidance and carbon intensity (CI) calculator must be transmitted to and processed through OMB. Next, the Department of Energy (DOE) needs to include USDA's updated CI calculator (FD-CIC) in the updated 45Z-CF GREET model. Finally, Treasury must adopt guidance to formally recognize the ability of verified on-farm practices to lower CI scores in a way that does not distort planting decisions. To maximize farmer participation and ensure the program's success—without disrupting the nation's highly efficient grain markets and logistics—Treasury should incorporate book-and-claim alongside mass-balance supply-chain traceability systems. Without this regulatory clarity, farmers, biofuel producers, and lenders may lack the certainty required to invest and participate at scale.

Agricultural conservation practices, such as use of cover crops and no-till or strip-till, improve soil structure and organic matter, increase water infiltration, and enhance drought tolerance. These outcomes reduce crop damage during periods of excessive precipitation while also stabilizing yields under drought stress ultimately lowering risk and reducing indemnity payments. 45Z can serve as a catalyst for creating an environment that enables these practices to scale.

45Z also contributes to economic stability. Adoption of regenerative agricultural practices, which has been emphasized by President Trump's Cabinet, have increased cost implications. Farmers often must make significant capital investments in equipment, absorb variable costs such as cover crop seed, and undertake significant management changes. Especially in a distressed farm economy, these investments are not practical without a predictable and bankable return. Clear 45Z guidance is critical for farmers and their lenders to plan with confidence. Without regulatory certainty on the inclusion of on-farm practices, those incentives will not materialize at the scale necessary to drive participation.

Finally, the precedent set by formally incorporating on-farm practice-based CI reductions into 45Z will shape future market opportunities well beyond liquid fuels. As row crop commodities increasingly serve as bio-feedstocks for bio-plastics, bio-textiles, and bio-chemicals, this guidance can serve as a durable framework for farmers to expand their income streams. Leveraging an optimized 45Z as a model could unlock new domestic markets for U.S. farmers while accelerating the transition to a healthier food, fuel, and fiber system.

We respectfully urge USDA, DOE, Treasury, and the White House to complete the remaining regulatory steps necessary to operationalize 45Z so that farmers can participate effectively. Timely, durable guidance is essential to provide farmers, biofuel producers, and lenders with the certainty needed to invest, innovate, and deliver on the Administration's stated goals for soil health, market expansion, and farm profitability.

Sincerely,

National Corn Growers Association
American Soybean Association
National Sorghum Producers Association
Renewable Fuels Association
Growth Energy
National Oilseed Processors Association
Clean Fuels Alliance America
The SAF Coalition

Alabama Soybean and Corn Association
Illinois Corn Growers Association
Indiana Corn Growers Association
Iowa Corn Growers Association
Kansas Corn Growers Association
Kentucky Corn Growers Association
Michigan Corn Growers Association
Minnesota Corn Growers Association
Missouri Corn Growers Association
Nebraska Corn Growers Association
North Dakota Corn Growers Association
Ohio Corn and Wheat Growers Association
South Dakota Corn Growers Association
Tennessee Corn Growers Association
Texas Corn Producers Association
Virginia Grain Producers Association
Wisconsin Corn Growers Association

Texas Grain Sorghum Association
New Mexico Sorghum Producers
Nebraska Sorghum Producers