The transition to an American-grown, renewable energy future for the U.S. is well under way. The growth of renewable energy use in transportation fuels has been a success story for all Americans. For the U.S. to realize the full potential of the renewable energy sector, we should promote clean, higher-blended ethanol and advanced biobased fuels. The path to increased ethanol usage is through high octane, low carbon fuels.

**Fuels of the Future**

**E30**

By removing arbitrary legislative and regulatory barriers to higher blends of ethanol, like E30, we can transition the energy sector to high octane fuels that clean our air and benefit farming and rural communities.

**Advanced Biofuels**

Advanced biofuels also offer tremendous environmental benefits. The U.S. should protect demand for new and advanced biofuels through policies like the RFS and the removal of regulatory barriers, along with further research, development and infrastructure investments.

**Why Biofuels?**

**The Environment**

Clean-burning fuels cut down on greenhouse gas emissions that exacerbate climate change, as well as pollutants that cause smog and increased ozone levels, which are hazardous to human health.

**American Family Farmers**

Family farmers rely on expanded markets for their crops and biobased products, which helps to boost and support farm income.

**Rural Communities**

Biofuels development brings billions of dollars of capital investment, millions of dollars of new tax base, and many thousands of well-paying jobs with benefits to struggling rural communities.

**What We Can Do:**

- Support the Next Generation Fuels Act legislation, which increases gasoline octane to a minimum standard through low-carbon, high-level blends of ethanol.
- Support additional agricultural feedstocks to be eligible to receive incentives for Sustainable Aviation Fuel and the RFS.

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**Inventory Management Soil Enhancement Tool (IMSET)**

The American family farmer has lost global market share of agricultural commodities from 73 percent in 1996 to 37 percent in the year 2020. Throughout this same period of time more native grasslands and marginal soils have been utilized to grow crops, jeopardizing soil health across the nation. As farmers experienced this loss of market share globally, American farmers have increased America’s stockpile of farm commodities forcing even lower farm-gate prices, not to mention causing environmental harm to soil, air and water quality. No other industry would see this as acceptable to survive, let alone to grow into the future.

SDFU encourages the U.S. Congress, agriculture advocacy groups and checkoff organizations to support SDFU’s Inventory Management Soil Enhancement Tool (IMSET).

IMSET is designed as a management tool for farmers to receive a beneficial price on his/her grain commodities for improving soil health needs of his/her farmland.

Similar to and alongside their annual renewal of revenue crop insurance, farmers can voluntarily decide to utilize the IMSET tool and renew on an annual basis.

**WHAT IS IMSET?**

IMSET is designed as a management tool for farmers to receive a beneficial price on his/her grain commodities for improving soil health needs of his/her farmland.
Example

For every 1.5 percent of crop acres enrolled to improve soil health, insured will receive 1.5 percent increase of the guaranteed revenue price coverage for that crop. Enrolled IMSET acres are planted to a soil-benefiting cover crop mix or grass.

When signing up for crop insurance, each farmer voluntarily chooses to sign up to be eligible for IMSET.

Similar to choosing a revenue crop insurance level for the upcoming crop, sign up for IMSET must be done prior to deadline date for crop insurance.

Reporting IMSET acres deadline will be simultaneous to crop insurance and FSA planted acres reporting.

IMSET acres reported determines crop revenue price guarantee of each crop they are participating in.

The level of acres allowed in IMSET will be determined by the level of farmer participation. The more participation, the lower the percentage level with a cap of no more than 10 percent per crop per year per farmer.

NRCS will certify cover crops best suited to improve soil health of IMSET acres. NRCS also assists in determining what best practices to use to improve soil health, including, but not limited to, haying or grazing of IMSET acres.