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July 15, 2026

Todd Lindsey, Acting Under Secretary, Rural Development
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Under Secretary Lindsey,

I am writing to you as someone who has worked inside the USDA Section 9003 Biorefinery Assistance Program since its inception in the 2008 Farm Bill — guiding projects through every stage of the process, from initial concept to financial close, across nearly two decades of practice.

I grew up on a working farm in central Kansas. I understand what farming actually costs, what rural communities actually need, and what it means to build something in a place where capital is scarce and the margin for error is thin. Over more than thirty years, I have worked at the intersection of technology commercialization, capital strategy, government relations, and innovation management — advising on more than $4 billion in capital formation across renewable fuels, renewable chemicals, biobased products, advanced materials, life sciences, and value-added agriculture. That background keeps me close to Section 9003's mechanics, its lenders, and its applicants — close enough to know precisely where the program works well, and where it consistently breaks down.

I want to begin with genuine appreciation. The technical and regulatory reforms reflected in the House and Senate Agriculture Committees' 2026 Farm Bill proposals — multi-year authority, a two-track diligence process for proven versus first-of-a-kind technology, clearer stage gates, and more efficient intake mechanics — are consistent with what experienced practitioners, lenders, and USDA staff closest to the program have long recommended. These are sound improvements, and the bipartisan support behind them is a meaningful signal.

I am writing to raise four points that I believe are important to Section 9003's near-term trajectory, and to request an opportunity to discuss them with you directly.

Administrative Implementation

Several of the reforms reflected in the Farm Bill proposals can and should be implemented administratively, without waiting for new legislation to be enacted. Standardized diligence templates, written Technical Review Agreements that convert open-ended review into defined stage gates, year-round intake instead of batched cycles, and scoring that rewards projects most likely to reach financial close are execution improvements that do not require new authority. I would respectfully urge USDA to move forward on these now, so that the program is operating at its best regardless of the Farm Bill timeline.

Integrated Demonstration Unit (IDU) Grants and Application Sequencing

The Senate version of the Farm Bill allocates up to $10 million per project for IDU grants. This is meaningful — IDU funding is genuinely difficult capital to assemble, and a grant program that covers it would significantly improve a project's ability to reach the point where loan guarantee financing becomes viable.

The IDU grant must, however, be positioned correctly in the application sequence. Too many projects have stalled — and never recovered — in what I refer to as the "IDU Valley of Death": the gap between a proven laboratory technology and a financed, operating demonstration unit. I would propose establishing the IDU grant as the first step in the loan guarantee process. Upon successful award and completion, the project would then be eligible to apply for a Part 1 Section 9003 Loan Guarantee. Projects that have already completed the IDU stage, or that utilize commercial technology, would be eligible to apply directly. After receiving a Green Light Letter, the project would advance to Part 2 to complete underwriting and funding requirements. This sequencing would benefit USDA personnel as well — it creates a more organized, predictable process, structured similarly to the B&I or REAP loan programs.

9003 Program Funding

The technical reforms are meaningful, but they land on a program without adequate capital to deploy. The question developers and lenders are asking is not whether Section 9003 is worth engaging — it is whether there is a credible path to funding the commercial plant at the other end of the process. Without meaningful new loan guarantee authority, that question has no good answer.

I would ask USDA leadership to actively champion new Section 9003 appropriations with Congress during the conference process. USDA also needs a reliable mechanism for allocating 9003 funds in a timely manner as multiple projects work toward close simultaneously. My clients are hesitant to commit the development capital and raise the equity that advancing through Section 9003 requires when no credible path to loan close exists.

Broader Bioeconomy and the Rural Industrial Base

The 2026 Farm Bill also targets investment in biotech research and development to counter China's dominance in biotechnology. The National Security Commission on Emerging Biotechnology was unambiguous: biotechnology is no longer a niche scientific field — it is becoming a general-purpose manufacturing platform, and the United States is at risk of losing the industrial base that converts domestic invention into domestic production.

China is not outpacing us in research. They are outpacing us in scale-up — converting domestic innovation into domestic manufacturing, and domestic manufacturing into supply-chain leverage. They accomplish this by funding both ends of the commercialization pipeline with capital specifically targeting first-of-a-kind facilities that prove a technology works at industrial scale, generate a return, and create the template for the second and third build.

Section 9003 is one of the few U.S. programs designed to operate at exactly that inflection point. Without new funding for first-of-a-kind commercial projects, the $15 billion aimed at closing the gap with China cannot close the gap it was designed to close. It funds the science — but it does not fund the plant. And when we invent something here and build it somewhere else, we do not simply lose a market opportunity. We lose the supply chain, the skilled workforce, the operational know-how, and the export leverage that follow.

Request for Meeting

I am requesting a briefing or meeting with you or appropriate members of your team to discuss these points in greater detail. I can speak to the current project pipeline, the specific financing barriers that new authority would address, and the program execution improvements that would have the greatest near-term impact on project outcomes.

I have enclosed two recent articles and a white paper that document these issues in fuller detail. I hope they provide useful context ahead of any conversation.

Thank you for your leadership of USDA and for the agency's continued commitment to rural development and domestic manufacturing. The United States has the science, the technology, the developers, and the rural communities ready to build. What Section 9003 needs is the funding and the administrative execution to get out of the way and let it work. I look forward to the opportunity to discuss these important and timely considerations with you and your staff — and to be a useful resource as USDA moves forward.

Warm regards,

Cynthia Thyfault
Founder & CEO, QuantaVision
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Enclosures:

1. Section 9003 Isn’t Broken. The Map Is. (Biofuels Digest, June 23, 2026)
2. Congress Got the Blueprint Right. Now Fund the Build. (Biofuels Digest, July 7, 2026)
3. Section 9003: Industrial Base Policy and the Path to Commercial Scale (QuantaVision White Paper, June 2026)