

National Boating Federation Earl Waesche

July 2017

Secretary Zinke Announces Nearly \$32 Million in Boating Recreation and Tourism Grants: As indicated in a Press Release by the Department of the Interior, Secretary Ryan Zinke announced nearly \$32 million in maritime- and boating-related grants that will benefit boating recreation and tourism by improving boating infrastructure, keeping water clean for boaters and anglers, preserving maritime heritage and inland waterways.

The Secretary announced more than \$769,000 for Virginia at the Yorktown Historic Freight Shed Lawn at the Riverwalk Landing, which is slated to receive grant money. These funds supported wave attenuating, transient docking facilities, rest rooms and upgraded safety and security features benefiting recreational boaters. Prior to the event, the Secretary engaged in a round table discussion with a variety of local boating and fishing stakeholders focusing on the relationship between the Department of the Interior and the boating industry.

The national funding recently announced, is made possible through three grant programs: \$14.7 million through the Boating Infrastructure Grant (BIG) program, \$15.4 million in funds through the Clean Vessel Act program, and \$1.7 million in Maritime Heritage Grants.

“These three grant programs provide support for boating recreation and tourism to local communities, whether through the preservation of American maritime heritage or by ensuring the facilities and waters anglers and boaters depends on are in the best condition,” said **Secretary Zinke**. “Although these grants come from different funding sources, none would be possible without great partnerships.”

Boating Infrastructure Grants: The U.S. Fish and Wildlife Service’s “BIG” program provides funding to support dedicated boat tie-up facilities and associated amenities and helps Americans enjoy the nation’s waters and our cherished wildlife, natural and cultural resources.

Approximately \$9.5 million will be awarded competitively to support 10 projects in six states under the BIG, from which states can receive up to \$1.5 million in federal funding per project. The U.S. Fish and Wildlife Service will also provide approximately \$5.2 million to 29 states, commonwealths and territories under the BIG Tier I subprogram, from which recipients can obtain up to \$200,000 in federal funding. States and their partners will provide more than \$14.5 million in additional non-federal matching funds toward these projects.

Since its inception in 2000, the BIG program has awarded \$180 million to projects for large transient recreational boats, including the construction of more than 5,000 berths for boaters across most states and U.S. territories. For more information about the Sport Fish Restoration program visit <http://wsfrprograms.fws.gov/>.

The EPA Promotes Dangerous E15 Levels for 2018: As reported in Trade Only Today, the Environmental Protection Agency announced in its proposed 2018 Renewable Volume Obligations (RVO) as part of the Renewable Fuel Standard program. The NMMA and the National Boating Federation (NBF), fault the agency for setting the volume of conventional biofuels at the maximum allowed under law, 15 billion gallons. The marine industry and the boating community have maintained the need for the EPA to propose lower 2018 levels to ensure that the boating public

remains safe on the water and continues to enjoy access to approved fuel blends. This announcement is ultimately disconcerting for the more than 88 million boaters and 35,000 businesses that make up the recreational boating and fishing industry. “We’re disappointed in the EPA’s 2018 RVO proposal, as the levels included are too high and continue to promote E-15 — proven to cause significant damage to marine engines — in the fuel supply,” NMMA federal and legal affairs vice president Nicole Vasilaros said. “The proposal in its current form would deny the boating public choice at the pump while subjecting the industry to an increasing supply of a dangerous, prohibited fuel blend for their products. The expansion of E15 threatens access to safe fuels like E10, and without robust public education efforts puts consumers at further risk of misfueling. Higher RVOs also diminish the availability of E0, which many boaters demand. The Renewable Fuel Standard is a broken law that doesn’t reflect the market and consumer realities of today, making it more important than ever for Congress to fix the mandate.”

Although conventional biofuel limits remain the same from last year, and the EPA used its waiver authority to reduce cellulosic mandated levels. This reduces the opportunity for advanced biofuels to come to market, while keeping corn-based ethanol as the main biofuel option. NBF and NMMA, support ethanol fuel blends up to 10 percent and alternative fuel options such as Isobutanol in consumer pumps.

Butamax and Gevo Enter Into Global Patent Cross-License and Settlement Agreements to Accelerate Development of Markets for Bio-Based Isobutanol and End All Litigation: Englewood, Colo., Gevo, Inc. (NASDAQ:GEVO) and Butamax Advanced Biofuels, LLC, a joint venture between BP and DuPont, announced that they have entered into worldwide patent cross-license and settlement agreements, ending a patent dispute related to technologies for the production of bio-based isobutanol. This settlement ends all of the lawsuits and creates a new relationship between the companies, aimed at leveraging each other's strengths and accelerating development of competitive supply for bio-based isobutanol.

The cross-license agreement grants both parties patent licenses to all fields for isobutanol and is structured to develop robust and sustainable isobutanol markets. The license will be royalty bearing for Butamax in certain fields and royalty bearing for Gevo in other fields. There are also a number of fields that are royalty-free for both companies. Both parties can sell up to 30 million gallons per year royalty-free into any field.

A Factsheet is available to provide further details of the cross-license and settlement agreements.

Butamax will take the lead role in developing the market for isobutanol as an on-road gasoline blend stock. This will include progressing ongoing programs for mainstream use of 16% isobutanol as a gasoline blend component. Butamax has also conducted joint research with Underwriters Laboratories (UL), which has demonstrated that these blends can be used safely in fuel storage and dispensing equipment meeting current UL standards. It is expected that UL's guidance will clear the way for state government agencies to consider and approve the dispensing of biobutanol-gasoline fuel blends in the U.S.

This is indeed good news for the boating community, as stated by the National Boating Federation.