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Sustainable Aviation Fuel (SAF): An Overview of Current Laws and Legislation Introduced in the 119th Congress

Sustainable aviation fuel (SAF) is fuel derived from “sustainable” sources that meets aviation technical standards. Potential benefits of SAF include assisting with reducing the carbon footprint of the aviation sector and assisting with rural economic development. Challenges could include high SAF production costs and differing tax, environmental, and transportation policy goals.

Following years of legislative attention to renewable fuels for road transportation (e.g., the renewable fuel standard and biofuel tax incentives), Congress has taken action on sustainable fuels for air transportation. Among other actions, Congress supported SAF in P.L. 117-169 (commonly known as the Inflation Reduction Act of 2022, or IRA), which provides tax incentives and grants, and modified that support in P.L. 119-21 (commonly known as the One Big Beautiful Bill Act, or OBBBA). Some Members have introduced measures to either increase support (e.g., H.R. 1719; 119th Congress) or decrease support (e.g., H.R. 311; 119th Congress) for SAF. In addition, some Members established the Congressional Sustainable Aviation Caucus in 2024. This CRS product briefly covers recent legislative action for SAF and efforts in the 119th Congress that pertain to SAF.

SAF and Sustainability

One of the requirements for SAF is that it be derived from a *sustainable* feedstock. SAF is a global commodity. As such, national and international organizations and agencies have varying definitions for both *SAF* and *sustainable*. The International Air Transport Association (IATA) defines as *sustainable* “something that can be continually and repeatedly resourced in a manner consistent with economic, social and environmental aims, and conserves an ecological balance by avoiding depletion of natural resources.” IATA also states that SAF can be made from either biological resources (e.g., biofuel) or alternative resources (e.g., power-to-liquid fuel). One way to measure SAF sustainability is with a lifecycle assessment (LCA).

SAF Certification

The Federal Aviation Administration (FAA) certifies aircraft to operate on a fuel approved by the standards development organization ASTM International (ASTM). There are 11 ASTM-approved SAF production pathways, all of which fall under either technical standard specification ASTM D7566 or ASTM D1655. Each SAF production pathway includes a specific feedstock or feedstocks, conversion process, and blending limitation. For example, some SAF can be blended at a maximum 50% ratio with a petroleum counterpart. A small number of demonstration flights have been carried out with 100% SAF, but no current ASTM standard allows broad use of

pure SAF. See CRS In Focus IF12847, *Sustainable Aviation Fuel (SAF): Production Pathways*, by Kelsi Bracmort.

SAF Data

Limited SAF production and consumption data are available. One source is the U.S. Environmental Protection Agency (EPA), which reports public data for the Renewable Fuel Standard (RFS), including the registration of renewable jet fuel (RJF) for the program. EPA reports that approximately 240 million gallons of domestic RJF and 47 million gallons of foreign-produced RJF were registered for the RFS in 2025. EPA reports that approximately 39 million gallons of domestic RJF and 73 million gallons of foreign RJF were registered for the RFS in 2024. The Energy Information Administration (EIA) has an “Other Biofuels” category for some of its reports that includes SAF. However, the SAF data in this category are not parsed out for public use.

It is not clear how many commercial SAF production facilities currently operate in the United States. According to various resources from the federal government, the news media, and others, there are both small-scale and large-scale commercial facilities in operation (e.g., the 30 million gallons/year Montana Renewables plant and the 235 million gallons/year Diamond Green Diesel plant). Researchers have reported that SAF production could increase in connection with renewable diesel plants, some that are already operational and some that are expected to come online.

SAF makes up a fraction of the aviation fuel used in the United States. EIA projects that SAF will make up about 2% of U.S. jet fuel consumption in 2026. The FAA forecasts that 25.4 billion gallons of jet fuel and aviation gasoline were consumed in U.S. civil aviation aircraft in 2025; it forecasts that 27 billion gallons will be consumed in 2030. In 2021, the Biden Administration launched a Sustainable Aviation Fuel Grand Challenge, which calls for at least 3 billion gallons of SAF production per year by 2030.

SAF Enacted Laws

In January 2026, CRS identified six enacted laws from the 117th–119th Congresses (2021–2026) that contain the term “sustainable aviation fuel.” This section summarizes the SAF provisions in those laws.

The Consolidated Appropriations Act, 2023 (P.L. 117-328), grants the Secretary of Transportation the authority to “make discretionary grants to primary airports for airport-owned infrastructure required for the on-airport distribution, blending, or storage of sustainable aviation

fuels that achieve at least a 50 percent reduction in lifecycle greenhouse gas [GHG] emissions.” The FAA administers this effort under its Airport Improvement Program (AIP).

IRA Section 13203 established a SAF tax credit (26 U.S.C. §40B) worth a minimum of \$1.25/gallon and a maximum of \$1.75/gallon for SAF produced in the United States. The amount of the credit depended on the lifecycle GHG emission reduction percentage of the fuel. In order to qualify for the credit, the fuel must have had a lifecycle GHG emission reduction percentage of at least 50% as compared with petroleum-based jet fuel; this reduction percentage qualified the fuel for a \$1.25/gallon tax credit. An extra \$0.01/gallon was added for every one percentage point by which the lifecycle GHG emission reduction percentage exceeded 50%. Because GHG emissions may not be reduced more than 100%, this supplementary amount implicitly could not exceed \$0.50/gallon (i.e., a maximum tax credit of \$1.75/gallon). The credit expired December 31, 2024.

IRA Section 13704 established a clean fuel production credit (26 U.S.C. §45Z), which initially had a carve-out for SAF. The value of the credit (i.e., the special rate) for SAF was up to \$1.75/gallon depending on the fuel’s lifecycle GHG emissions and the taxpayer’s compliance with IRA wage and apprenticeship requirements. Eligible fuels were required to emit no more than 50 kilograms of CO₂ (or CO₂ equivalent) per 1 million British thermal units (mmBtu). The Internal Revenue Service (IRS) states, “The amount of the credit is based on the transportation fuel’s emissions factor, which is a calculation of the fuel’s emissions rate against the baseline emissions rate.” The above SAF tax credit is effectively replaced by the clean fuel production credit starting in 2025. Under the IRA, the credit was originally scheduled to expire on December 31, 2027.

IRA Section 40007 establishes a grant program for eligible entities in the United States that produce, transport, blend, or store SAF, among other activities. Section 40007 is administered by the FAA via the Fueling Aviation’s Sustainable Transition (FAST) grants program.

The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (FY2023 NDAA; P.L. 117-263, Section 324) grants the Secretary of Defense—who is using Secretary of War as a “secondary title” under Executive Order (E.O.) 14347 dated September 5, 2025—the authority to “conduct a pilot program on the use of sustainable aviation fuel by the Department of Defense [DOD].” The law gives DOD—which is using the Department of War as a “secondary title” under E.O. 14347—until the end of FY2028 to implement a plan to use SAF, and it gives the DOD Secretary the authority to waive the use of SAF at a facility under the pilot program given certain conditions (e.g., the use of SAF is not feasible due to a lack of domestically available SAF or a national security contingency). The FY2023 NDAA requires DOD to give notice to Congress about certain aspects of the pilot program.

The Consolidated Appropriations Act, 2024 (P.L. 118-42), gives the Secretary of Transportation the authority to “make discretionary grants … to primary or nonprimary airports for the acquisition or construction costs related to airport-

owned, revenue-producing aeronautical fuel farms and fueling systems, including mobile systems, that the Secretary determines will promote the use of unleaded or sustainable aviation fuels on a non-exclusive basis.” These authorities are provided under the “Grants-in-Aid for Airports” account.

Another law that uses the term *sustainable aviation fuel* is the FAA Reauthorization Act of 2024 (P.L. 118-63). Section 791 of the act requires the FAA Administrator to enter an agreement with the National Academies of Sciences, Engineering, and Medicine to “carry out a study examining airborne ultrafine particles [UFPs] and the effect of such particles on airport-adjacent communities.” The scope of the study is to “consider the concentration of UFPs resulting from various aviation fuel sources including aviation gasoline, sustainable aviation fuel, and hydrogen, to the extent practicable,” among other considerations.

The OBBBA modifies the clean fuel production credit (26 U.S.C. §45Z). It removes the special rate for SAF (thereby reducing the credit’s maximum value to \$1 per gallon), excludes any emissions attributed to indirect land use change from the calculation of the fuel’s emissions rate, disallows a negative emissions rate, prohibits the use of foreign feedstocks in qualifying fuels, and extends the credit to December 31, 2029, among other things. The act also modified the SAF excise credit (26 U.S.C. §6246(k)) by not allowing the same fuel to qualify for both 26 U.S.C. §6246(k) and 26 U.S.C. §45Z, and it terminated the SAF excise credit after September 30, 2025.

Proposed SAF Legislation (119th Congress)

Several bills introduced in the 119th Congress would further support SAF. For example, the Securing America’s Fuels Act (H.R. 6518) would reinstate the special rate for SAF under the clean fuel production credit (26 U.S.C. §45Z) and extend the credit through December 2033. The Sustainable Aviation Fuel Act (H.R. 1594) would establish a low carbon aviation fuel standard, would require DOD to make a bulk purchase of SAF for an amount not less than 10% of what would be procured for operational purposes given certain conditions, would extend the clean fuel production credit (26 U.S.C. §45Z) through 2032, and would add SAF to the energy credit, among other things. The Farm to Fly Act (S. 144/H.R. 1719) would specify that SAF is eligible for farm bill energy title programs, would require the U.S. Department of Agriculture to take a comprehensive and integrated approach for SAF advancement, and would add a SAF definition to the farm bill energy title, among other things. The Sustainable Aviation Fuel Information Act (H.R. 4562) would require EIA to include SAF data in its weekly and monthly reports.

At least one bill introduced in the 119th Congress would diminish support for SAF. The Restoring Fuel Market Freedom Act (H.R. 311), introduced in January 2025, would repeal the SAF credit (since expired) and the clean fuel production credit from the IRA.

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