

Organizations:

Plant Based Products Council (PBPC)
Corn Refiners Association (CRA)
American Soybean Association (ASA)
National Corn Growers Association (NCGA)
National Association of State Departments of Agriculture (NASDA)
National Oilseed Processors Association (NOPA)

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Subject: Statistical Policy Directive No. 8: North American Industry Classification System (NAICS)-Request for Comments on Proposed Updates for 2027

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The undersigned organizations appreciate the opportunity to provide input in response to the Office of Management and Budget's (OMB) July 13, 2026 solicitation for comments on the Economic Classification Policy Committee's (ECPC) recommendations for the 2027 revision of the North American Industry Classification System (NAICS).

We disagree with the conclusion of the ECPC that distinct NAICS codes for renewable chemicals manufacturers and biobased products manufacturers are not warranted. Instead, we support implementation of the statutory directive in the 2018 Farm Bill¹ to create NAICS codes for manufacturers of renewable chemicals and biobased products as part of this process.

Given the Administration's focus on strengthening domestic manufacturing, expanding markets for American agriculture, and growing economic opportunity in rural communities, the ongoing NAICS revisions process represents a timely opportunity to implement Congress's directive and improve the federal government's ability to measure this growing sector. NAICS codes that more adequately capture the growth of biobased products would support investment in biomanufacturing and reflect the success of Federal policies designed to ensure U.S. dominance in the innovative sector.

In the published proposed updates for comment, the ECPC identifies concerns with the Biden Administration's direction to develop interagency NAICS recommendations well as questions the size of the growing U.S. biomanufacturing sector. The need for better measurement and data related to the biomanufacturing sector has been part of interagency processes across several Administrations. Concerns with the size of the biobased sector have been raised in past NAICS revisions, and several agencies have worked to track the impacts of

¹ Pub. L. No. 115-334, H.R. 2, the Agriculture Improvement Act of 2018. 115th Congress. §9002(f)(1). <https://www.congress.gov/bill/115th-congress/house-bill/2>.

the biobased products industry on the economy, jobs, and other factors for more than a decade.²

U.S. National Security and American Competitiveness

Every Presidential Administration since 2000 has prioritized the bioeconomy from an economic and national security perspective. A 2019 White House “Summit on America’s Bioeconomy” highlighted that “the bioeconomy represents the infrastructure, innovation, products, technology, and data derived from biologically-related processes and science that drive economic growth, improve public health, agricultural, and security benefits.”³ Most recently, the Trump Administration’s “Research and Development Budget Priorities for Fiscal Year 2028” offer direction related to foundational research in the biological sciences in support of “Administration priorities in biotechnology and biomanufacturing” as well as leverage investments to build “domestic manufacturing capacity and supply chains to produce the next generation” of key national science and technology challenge areas, including biotechnology.⁴

In November 2025, the Department of War identified six critical technology areas, including biomanufacturing, with an aggressive focus on deployment of technologies to ensure U.S. military superiority.⁵ The narrowed focus on the greatest challenges facing the military highlight the need for strong data and measurement to ensure that focus on U.S. innovation and technological dominance attract effective Federal and private sector investment.

The bipartisan National Security Commission on Emerging Biotechnology (NSCEB), an independent commission in the legislative branch, was established by the *National Defense Authorization Act for Fiscal Year 2022* (P.L. 117-81) to “carry out a review of advances in emerging biotechnology and associated technologies.”⁶ Emerging biotechnologies comprise multiple scientific disciplines and technical developments that enable the engineering of biology that can be used across medicine, agriculture, and biomanufacturing. The Commission was required to “consider the methods, means, and investments necessary to advance and secure the development of biotechnology, biomanufacturing, and associated technologies by the United States to comprehensively address the national security and defense needs of the

² Golden, J.S., Handfield, R.B. Daystar, J., and S. Pires (2024). An Economic Impact Analysis of the U.S. Biobased Products Industry: 2023 Update. Volume V. A Joint Publication of the Dynamic Sustainability Lab at Syracuse University and the Supply Chain Resource Cooperative at North Carolina State University.

³ The White House Office of Science and Technology Policy. (2019, October). Summary of the 2019 White House Summit on America’s Bioeconomy. <https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/10/Summary-of-White-House-Summit-on-Americas-Bioeconomy-October-2019.pdf>.

⁴ The White House Office of Science and Technology Policy and Office of Management and Budget. (2026, July). White House Fiscal Year 2028 Research and Development Priorities Memorandum (p. 7).

⁵ U.S. Department of War. (2025, November). Under Secretary of War for Research and Engineering Emil Michael Announces Six Critical Technology Areas for the War Department.

⁶ National Security Commission on Emerging Biotechnology. (2025, April). Charting the Future of Biotechnology: An Action Plan for American Security and Prosperity. <https://www.biotech.senate.gov/final-report/chapters/>.

United States.”⁷ Importantly, NSCEB also considered the strategic competition among the U.S., China, and other global players as it related to research and commercialization in biomanufacturing. In April 2025, the Commission issued its final report, which cautions, “China is quickly ascending to biotechnology dominance, having made biotechnology a strategic priority for 20 years. To remain competitive, the United States must take swift action in the next three years. Otherwise, we risk falling behind, a setback from which we may never recover.”⁷

The NSCEB outlined forty-nine recommendations to ensure U.S. national security and competitiveness in biotechnology. A number of the recommendations address the need for an interagency approach which elevates biotechnology policy across the Administration and ensures Federal resources are coordinated to ensure U.S. dominance in the field. Priority areas related to private sector investment in scaling domestic infrastructure and out-innovating our competitors could be identified, supported and effectively measured with distinct NAICS codes that better reflect the growing sector in the U.S.

The Bioeconomy and Biobased Products

Given the Federal priority on the sector and market-driven demand, the domestic bioeconomy has grown rapidly over the past several decades. In fact, the most recent USDA-commissioned “An Economic Impact Analysis of the U.S. Biobased Products Industry” estimates that “the value-added contribution to the U.S. economy grew even through the pandemic, from \$470 billion in 2017 to \$489 billion in 2021.”⁸ And, there is strong evidence to support the growth trend. In fact, a Boston Consulting Group report estimates “that scaling up industrial precision fermentation (alone) can create a \$200 billion market by 2040, seven times the current size, if companies build enough production capacity to lower costs.”⁹

Additionally, the biomanufacturing sector provides nearly 4 million jobs, and for each biobased products industry job, 1.4 more jobs are supported in other sectors of the U.S. economy.¹⁰ The growing industry creates high-wage STEM jobs for engineers and chemists as well as high-quality skilled manufacturing, service, and related jobs to support this innovative

⁷ National Security Commission on Emerging Biotechnology. (2025, April). Charting the Future of Biotechnology: An Action Plan for American Security and Prosperity. <https://www.biotech.senate.gov/final-report/chapters/>.

⁸ Golden, J.S., Handfield, R.B. Daystar, J., and S. Pires (2024). An Economic Impact Analysis of the U.S. Biobased Products Industry: 2023 Update. Volume V. A Joint Publication of the Dynamic Sustainability Lab at Syracuse University and the Supply Chain Resource Cooperative at North Carolina State University.

⁹ Bobier, J.F., Cerisy, T., Coulin, A. D., Blecher, C, Sassoon, V, and B. Alexander (2024, February). Breaking the Cost Barrier in Biomanufacturing. Boston Consulting Group. <https://web-assets.bcg.com/b6/15/6a10d22c481e8bebaf0c2fab8294/bcg-breaking-the-cost-barrier-on-biomanufacturing-rev.pdf>

¹⁰ Golden, J.S., Handfield, R.B. Daystar, J., and S. Pires (2024). An Economic Impact Analysis of the U.S. Biobased Products Industry: 2023 Update. Volume V. A Joint Publication of the Dynamic Sustainability Lab at Syracuse University and the Supply Chain Resource Cooperative at North Carolina State University.

sector. Workers in the agricultural feedstock and industrial biosciences earn an average of nearly \$102,000 per year. That's significantly greater —about \$30,000 —than the U.S. average private sector wage.¹¹

Biobased products derived from renewable agricultural commodities are an important part of the U.S. and global bioeconomy. Biobased products span a diverse array of product categories including renewable chemicals, cleaning supplies, packaging, tableware, furniture, and clothing. And, innovation continues within the product categories. In past research, USDA's BioPreferred Program has identified about 20,000 biobased products, there are currently about 10,000 products listed in the database. However, not all biobased products participate in the voluntary program. Thus, a conservative estimate of the actual number of biobased products is over 40,000.¹²

Importance of NAICS Codes to the Bioeconomy

Distinct NAICS codes for manufacturers of renewable chemicals and biobased products are key to the future success of these biobased industries. Stakeholders across the U.S. economy, including industry, academia, research, and government agencies, struggle to track and analyze the economic activity and growth of the bioeconomy overall as well as biobased product segments due to the absence of distinct NAICS codes. Several academic researchers and economists, in attempting to measure the bioeconomy, repeatedly highlight that the existing NAICS system “does not provide an effective means of tracking the economic and job implications of the biobased products sector in the United States.”¹³ And, we have seen academic researchers and economists expressly join industry groups calling for unique NAICS codes to improve measurement and economic contributions of the bioeconomy.¹⁴

Without distinct NAICS codes, data collection and statistical reporting for the growing bioeconomy are challenged. In addition, the lack of specific industry NAICS codes masks the growth, market developments, and trends in these biobased industries, limiting efforts by policymakers, businesses, investors, and industry stakeholders to make well-informed decisions. Distinct biobased NAICS codes would strengthen USDA's efforts to highlight evolving market opportunities for U.S. farmers. Transparent measurement of growth in economic areas like jobs and average wages is key to understanding how public policy is impacting the

¹¹ Teconomy Partners LLC. (2024, June). The Economic Impact of the U.S. Industrial Bioeconomy. <https://content.presspage.com/uploads/2544/4f7314e2-c45e-4e26-86be-70580565812b/economicimpactofu.s.industrialbioeconomy.v6.6.pdf?10000>

¹² Golden, J.S., Handfield, R.B., Daystar, J., and S. Pires (2024). An Economic Impact Analysis of the U.S. Biobased Products Industry: 2023 Update. Volume V. A Joint Publication of the Dynamic Sustainability Lab at Syracuse University and the Supply Chain Resource Cooperative at North Carolina State University.

¹³ Golden, J.S., Handfield, R.B., Daystar, J. and, T.E. McConnell. *An Economic Impact Analysis of the U.S. Biobased Products Industry A Report to the Congress of the United States of America*. U.S. Department of Agriculture (2015) p. 83.

¹⁴ Golden, J.S., Handfield, R.B., Daystar, J., and McConnell, T.E., *An Economic Impact Analysis of the U.S. Biobased Products Industry*. U.S. Department of Agriculture (2016) p. 13.

bioeconomy, what barriers should be addressed, and where investment may be needed. Currently, manufacturers of biobased products are by default hidden in a smattering of NAICS code product classifications (e.g., plastic, chemicals, packaging).

Because of this identified need for NAICS codes specific to biobased products, Sec. 9002 of the 2018 Farm Bill, the *Agriculture Improvement Act of 2018* provides that “[t]he Secretary and the Secretary of Commerce shall jointly develop North American Industry Classification System codes for— (A) renewable chemicals manufacturers; and (B) biobased product manufacturers.”¹⁵ This directive compels USDA and Commerce to jointly develop NAICS codes for biobased product manufacturing. Similar direction has been included in both the recent House-passed Farm Bill legislation and the Farm Bill language pending action in the Senate Agriculture Committee.^{16,17}

Consistent with the legislative directive of the 2018 Farm Bill and commitments across several Presidential Administrations to improve data and statistical measurement of the bioeconomy, the undersigned stakeholders request that OMB and the ECPC include NAICS codes for renewable chemicals and biobased product manufacturers in the 2027 revisions.

NAICS codes are essential for the success of a domestic renewable chemical and biobased products industry as well as the future of the U.S. bioeconomy. Distinct bioeconomy NAICS codes align with the Administration's focus on strengthening domestic manufacturing, expanding markets for American agriculture, and growing economic opportunity in rural communities. More adequately capturing the growth of the U.S. bioeconomy would further support investment in domestic biomanufacturing and reflect the success of Federal policies designed to ensure U.S. dominance in the innovative sector. It is imperative that the distinct NAICS codes be developed so that a robust U.S. bioeconomy can continue growing and the economic, national security, and competitiveness benefits are fully realized.

Thank you for your consideration of these comments. Should you have any questions, please contact James Glueck at 202-331-1634 or james@pbpc.com.

¹⁵ Agriculture Improvement Act of 2018 § 9002.

<https://www.congress.gov/115/plaws/publ334/PLAW-115publ334.pdf>

¹⁶ Farm, Food, and National Security Act of 2026, § 9002 (2). (2026). H.R. 7567, 119th Congress.

<https://www.congress.gov/119/bills/hr7567/BILLS-119hr7567eh.pdf>

¹⁷ Agricultural Act of 2026, § 9002 (2). (2026)., 119th Congress. <https://www.agriculture.senate.gov/agricultural-act-of-2026-farm-bill-20>.

Sincerely,

