

118TH CONGRESS  
1ST SESSION

# H. R. 3849

To amend the Farm Security and Rural Investment Act of 2002 to modify provisions relating to the rural energy savings program.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 2023

Mr. CLYBURN (for himself and Ms. BUDZINSKI) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Farm Security and Rural Investment Act of 2002 to modify provisions relating to the rural energy savings program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Energy Savings  
5 Act”.

1 **SEC. 2. RURAL ENERGY SAVINGS PROGRAM MODIFICA-**  
2 **TIONS.**

3 Section 6407 of the Farm Security and Rural Invest-  
4 ment Act of 2002 (7 U.S.C. 8107a) is amended—

5 (1) in subsection (b)—

6 (A) in paragraph (1)—

7 (i) in subparagraph (B), by striking  
8 “or” at the end;

9 (ii) by redesignating subparagraph  
10 (C) as subparagraph (E); and

11 (iii) by inserting after subparagraph  
12 (B) the following:

13 “(C) any Indian Tribe (as defined in sec-  
14 tion 4 of the Indian Self-Determination and  
15 Education Assistance Act (25 U.S.C. 5304));

16 “(D) any public, quasipublic, or nonprofit  
17 entity that uses innovative financing techniques  
18 and market development tools to accelerate the  
19 deployment of clean energy technology (com-  
20 monly known as a ‘green bank’); and”;

21 (B) by striking paragraph (2) and insert-  
22 ing the following:

23 “(2) **ENERGY EFFICIENCY MEASURE.**—The  
24 term ‘energy efficiency measure’, with respect to any  
25 property served by an eligible entity, means—

1           “(A) a structural improvement or invest-  
2           ment in a cost-effective, commercial technology  
3           to increase energy efficiency (including cost-ef-  
4           fective on- or off-grid renewable energy or en-  
5           ergy storage systems); and

6           “(B) the replacement of a manufactured  
7           housing unit or large appliance with a substan-  
8           tially similar manufactured housing unit or ap-  
9           pliance, respectively, if that replacement is a  
10          cost-effective option with respect to energy sav-  
11          ings.”;

12          (2) in subsection (c)—

13                 (A) in the subsection heading, by inserting  
14                 “AND GRANTS” after “LOANS”;

15                 (B) by striking paragraph (1) and insert-  
16                 ing the following:

17                 “(1) IN GENERAL.—Subject to the require-  
18                 ments of this subsection, the Secretary shall pro-  
19                 vide—

20                         “(A) loans to eligible entities that agree to  
21                         use the loan funds to make loans under sub-  
22                         section (d) to qualified consumers for the pur-  
23                         pose of implementing energy efficiency meas-  
24                         ures; and

1 “(B) at the election of any eligible entity  
2 that receives a loan under subparagraph (A), a  
3 grant in accordance with paragraph (10).”;

4 (C) in paragraph (2)—

5 (i) in the paragraph heading, by in-  
6 serting “FOR LOANS” after “REQUIRE-  
7 MENTS”; and

8 (ii) in subparagraph (A)(i), by strik-  
9 ing “that is”;

10 (D) in paragraph (5)—

11 (i) by redesignating subparagraphs  
12 (A) and (B) as clauses (i) and (ii), respec-  
13 tively, and indenting the clauses appro-  
14 priately;

15 (ii) in the matter preceding clause (i)  
16 (as so redesignated), by striking “With re-  
17 spect to a loan under paragraph (1)” and  
18 inserting the following:

19 “(A) IN GENERAL.—Subject to subpara-  
20 graph (B), with respect to a loan under para-  
21 graph (1)(A)”;

22 (iii) by adding at the end the fol-  
23 lowing:

24 “(B) EXTENSIONS.—The Secretary may  
25 extend the term of a loan under subparagraph

1 (A)(i), or the deadline for the repayment of an  
2 advance under subparagraph (A)(ii), as the Sec-  
3 retary determines to be appropriate.”;

4 (E) in paragraph (7)—

5 (i) in subparagraph (B), by striking  
6 “paragraph (1)” and inserting “paragraph  
7 (1)(A)”; and

8 (ii) in subparagraph (C), in the mat-  
9 ter preceding clause (i), by striking “Re-  
10 payment of the special advance” and in-  
11 sserting “Subject to an applicable extension  
12 under paragraph (5)(B), repayment of a  
13 special advance under this paragraph”;

14 (F) in paragraph (8), by striking “para-  
15 graph (1)” and inserting “paragraph (1)(A)”;  
16 and

17 (G) by adding at the end the following:

18 “(10) GRANTS.—

19 “(A) IN GENERAL.—At the election of an  
20 eligible entity that receives a loan under this  
21 subsection, the Secretary shall provide to the el-  
22 igible entity a grant to pay for a portion of the  
23 costs incurred in—

24 “(i) applying for the loan;

1           “(ii) making a loan to a qualified con-  
2           sumer under subsection (d);

3           “(iii) making repairs to the property  
4           of a qualified consumer that facilitate the  
5           energy efficiency measures for the property  
6           financed through a loan provided to the  
7           qualified consumer under subsection (d);

8           “(iv) entering into a contract under  
9           subsection (e); or

10          “(v) carrying out any other duties of  
11          the eligible entity under this section.

12          “(B) AMOUNT.—

13               “(i) IN GENERAL.—Except as pro-  
14               vided in clause (ii), the amount of a grant  
15               provided to an eligible entity under this  
16               paragraph shall be equal to not more than  
17               5 percent of the amount of the loan pro-  
18               vided to the eligible entity under this sub-  
19               section.

20               “(ii) PERSISTENT POVERTY COUN-  
21               TRIES.—The amount of a grant provided  
22               under this paragraph to an eligible entity  
23               that will use the grant to make loans  
24               under subsection (d) to qualified con-  
25               sumers located in a persistent poverty

1 county (as determined by the Secretary)  
2 shall be equal to 10 percent of the amount  
3 of the loan provided to the eligible entity  
4 under this subsection.”;

5 (3) in subsection (d)—

6 (A) in paragraph (1)—

7 (i) in the matter preceding subpara-  
8 graph (A), by inserting “or grant” before  
9 “funds”;

10 (ii) in subparagraph (B)—

11 (I) by striking “(B) shall fi-  
12 nance” and inserting the following:

13 “(B)(i) may have a term and amortization  
14 schedule the length of which is the useful life  
15 of the energy efficiency measures implemented  
16 using the loan, provided that the loan to the  
17 qualified consumer does not exceed 20 years;  
18 and

19 “(ii) shall finance”; and

20 (II) in clause (ii) (as so des-  
21 ignated), by striking “a loan term of  
22 not more than 10 years” and insert-  
23 ing “the applicable loan term de-  
24 scribed in clause (i)”; and

1 (iii) in subparagraph (C), by striking  
2 “unless the personal property is or be-  
3 comes attached to real property (including  
4 a manufactured home) as a fixture;” and  
5 inserting “unless the personal property—

6 “(i) is a manufactured housing unit or  
7 large appliance described in subsection  
8 (b)(2)(B); or

9 “(ii) is or becomes attached to real  
10 property as a fixture;”; and

11 (B) by adding at the end the following:

12 “(3) CLARIFICATION OF ELIGIBILITY.—Not-  
13 withstanding any other provision of law (including  
14 regulations), an eligible entity may make a loan  
15 under this subsection to any qualified consumer lo-  
16 cated within the service territory of the eligible enti-  
17 ty, regardless of whether the qualified consumer is  
18 located in a rural area.”;

19 (4) in subsection (e)—

20 (A) in the subsection heading, by inserting  
21 “OUTREACH,” after “TRAINING,”;

22 (B) in paragraph (1)—

23 (i) in subparagraph (A), by striking  
24 “and technical assistance of the program”  
25 and inserting “outreach, and technical as-



1                   sistance relating to the program under this  
2                   section”; and

3                   (ii) in subparagraph (B)(ii), by insert-  
4                   ing “, outreach,” after “technical assist-  
5                   ance”; and

6                   (C) by adding at the end the following:

7                   “(3) FUNDING.—Of the amounts made avail-  
8                   able under subsection (i), the Secretary may use  
9                   such sums as are necessary to provide outreach,  
10                  training, and technical assistance under this sub-  
11                  section.”; and

12                  (5) in subsection (i), by striking “2023” and in-  
13                  serting “2033”.

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