

118TH CONGRESS
1ST SESSION

S. 1821

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

IN THE SENATE OF THE UNITED STATES

JUNE 6, 2023

Mr. WELCH (for himself and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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”.

6 **SEC. 2. RURAL ENERGY SAVINGS PROGRAM MODIFICA-**
7 **TIONS.**

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

1 (1) in subsection (b)—

2 (A) in paragraph (1)—

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

5 (ii) by redesignating subparagraph
6 (C) as subparagraph (E); and

7 (iii) by inserting after subparagraph
8 (B) the following:

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

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

17 (B) by striking paragraph (2) and insert-
18 ing the following:

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

22 “(A) a structural improvement or invest-
23 ment in a cost-effective, commercial technology
24 to increase energy efficiency (including cost-ef-

1 fective on- or off-grid renewable energy or en-
2 ergy storage systems); and

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

9 (2) in subsection (c)—

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

12 (B) by striking paragraph (1) and insert-
13 ing the following:

14 “(1) IN GENERAL.—Subject to the require-
15 ments of this subsection, the Secretary shall pro-
16 vide—

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

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

25 (C) in paragraph (2)—

1 (i) in the paragraph heading, by in-
2 serting “FOR LOANS” after “REQUIRE-
3 MENTS”; and

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

6 (D) in paragraph (5)—

7 (i) by redesignating subparagraphs
8 (A) and (B) as clauses (i) and (ii), respec-
9 tively, and indenting the clauses appro-
10 priately;

11 (ii) in the matter preceding clause (i)
12 (as so redesignated), by striking “With re-
13 spect to a loan under paragraph (1)” and
14 inserting the following:

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

18 (iii) by adding at the end the fol-
19 lowing:

20 “(B) EXTENSIONS.—The Secretary may
21 extend the term of a loan under subparagraph
22 (A)(i), or the deadline for the repayment of an
23 advance under subparagraph (A)(ii), as the Sec-
24 retary determines to be appropriate.”;

25 (E) in paragraph (7)—

1 (i) in subparagraph (B), by striking
2 “paragraph (1)” and inserting “paragraph
3 (1)(A)”; and

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

10 (F) in paragraph (8), by striking “para-
11 graph (1)” and inserting “paragraph (1)(A)”;
12 and

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

14 “(10) GRANTS.—

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

20 “(i) applying for the loan;

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

23 “(iii) making repairs to the property
24 of a qualified consumer that facilitate the
25 energy efficiency measures for the property

1 financed through a loan provided to the
2 qualified consumer under subsection (d);

3 “(iv) entering into a contract under
4 subsection (e); or

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

7 “(B) AMOUNT.—

8 “(i) IN GENERAL.—Except as pro-
9 vided in clause (ii), the amount of a grant
10 provided to an eligible entity under this
11 paragraph shall be equal to not more than
12 5 percent of the amount of the loan pro-
13 vided to the eligible entity under this sub-
14 section.

15 “(ii) PERSISTENT POVERTY COUN-
16 TIES.—The amount of a grant provided
17 under this paragraph to an eligible entity
18 that will use the grant to make loans
19 under subsection (d) to qualified con-
20 sumers located in a persistent poverty
21 county (as determined by the Secretary)
22 shall be equal to 10 percent of the amount
23 of the loan provided to the eligible entity
24 under this subsection.”;

25 (3) in subsection (d)—

1 (A) in paragraph (1)—

2 (i) in the matter preceding subpara-
3 graph (A), by inserting “or grant” before
4 “funds”;

5 (ii) in subparagraph (B)—

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

8 “(B)(i) may have a term and amortization
9 schedule the length of which is the useful life
10 of the energy efficiency measures implemented
11 using the loan, provided that the loan to the
12 qualified consumer does not exceed 20 years;
13 and

14 “(ii) shall finance”; and

15 (II) in clause (ii) (as so des-
16 ignated), by striking “a loan term of
17 not more than 10 years” and insert-
18 ing “the applicable loan term de-
19 scribed in clause (i)”; and

20 (iii) in subparagraph (C), by striking
21 “unless the personal property is or be-
22 comes attached to real property (including
23 a manufactured home) as a fixture;” and
24 inserting “unless the personal property—

1 “(i) is a manufactured housing unit or
2 large appliance described in subsection
3 (b)(2)(B); or

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

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

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

14 (4) in subsection (e)—

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

17 (B) in paragraph (1)—

18 (i) in subparagraph (A), by striking
19 “and technical assistance of the program”
20 and inserting “outreach, and technical as-
21 sistance relating to the program under this
22 section”; and

23 (ii) in subparagraph (B)(ii), by insert-
24 ing “, outreach,” after “technical assist-
25 ance”; and

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

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

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

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