118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Farm Security and Rural Investment Act of 2002 to improve the Rural Energy for America Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. Spanberger introduced the following bill; which was referred to the Committee on ________________________

A BILL

To amend the Farm Security and Rural Investment Act of 2002 to improve the Rural Energy for America Program, and for other purposes.

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 for
5 America Program Modernization Act of 2023” or the
6 “REAP Modernization Act of 2023”.

(Original Signature of Member)
SEC. 2. RURAL ENERGY FOR AMERICA PROGRAM.

(a) IN GENERAL.—Section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(B) in the matter preceding subparagraph (A) (as so redesignated), by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—The Secretary”;

(C) in paragraph (1) (as so designated), in the matter preceding subparagraph (A) (as so redesignated), by inserting “(referred to in this section as the ‘Program’)” after “Program”;

and

(D) by adding at the end the following:

“(2) CLIMATE BENEFITS.—In carrying out the Program, the Secretary shall promote the reduction of greenhouse gas emissions as a result of carrying out projects funded by grants and other financial assistance under the Program.”;

(2) in subsection (b)—

(A) in paragraph (2)—
(i) in subparagraph (D), by striking “and” at the end;
(ii) by redesignating subparagraph (E) as subparagraph (G); and
(iii) by inserting after subparagraph (D) the following:
“(E) a producer cooperative;
“(F) a nongovernmental organization;
and”;
(B) in paragraph (3)—
(i) in subparagraph (E), by striking “and” at the end;
(ii) in subparagraph (F), by striking the period at the end and inserting “; and”;
(iii) by adding at the end the following:
“(G) the potential of the proposed program to reduce greenhouse gas emissions and provide other climate benefits.”; and
(C) in paragraph (4)—
(i) in subparagraph (B), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately;
(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(iii) in the matter preceding clause (i) (as so redesignated), by striking “A recipient” and inserting the following:

“(A) IN GENERAL.—A recipient”; and

(iv) by adding at the end the following:

“(B) GRANT OPTIONS.—A grant awarded under paragraph (1) may be used to carry out 1 or more of the activities described in subparagraph (A).”;

(3) in subsection (c)—

(A) in paragraph (1)(A), by adding after and below the end the following:

“The Secretary may, on a limited case-by-case basis, provide financial assistance described in this subparagraph to agricultural producer cooperatives and rural electric cooperatives that do not otherwise qualify for the assistance.”;

(B) in paragraph (2)—

(i) in subparagraph (F), by striking “and” at the end;
(ii) by redesignating subparagraph (G) as subparagraph (H); and

(iii) by inserting after subparagraph (F) the following:

“(G) the potential of the renewable energy system to reduce greenhouse gas emissions and result in other climate benefits; and”;

(C) in paragraph (3)(A), by striking “25 percent” and inserting “50 percent”;

(4) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (i), respectively;

(5) by inserting after subsection (e) the following:

“(d) STREAMLINED APPLICATION PROCESS.—The Secretary shall develop a streamlined application process, including within each tier described in subsection (e)(4), under which an entity may apply for a grant under subsection (b), financial assistance under subsection (c), or a bundled application for a project with components eligible under clauses (i) and (ii) of subsection (c)(1)(A).”;

(6) in subsection (e) (as so redesignated)—

(A) in the subsection heading, by striking “OUTREACH” and inserting “OUTREACH, TECHNICAL ASSISTANCE, AND EDUCATION”;
(B) by striking “that adequate” and inserting the following: “that—
“(1) adequate”;
(C) in paragraph (1) (as so designated), by striking the period at the end and inserting a semicolon; and
(D) by adding at the end the following:
“(2) technical assistance is provided to entities seeking to apply for a grant or financial assistance under the Program; and
“(3) outreach, technical assistance, and education is provided to recipients of grants and other financial assistance under the Program relating to integrating renewable energy projects on land shared with crops or livestock.”;
(7) in subsection (f) (as so redesignated), in paragraph (1), by striking “$20,000” and inserting “$50,000”;
(8) by inserting after subsection (f) (as so redesignated) the following:
“(g) STUDY.—
“(1) DEFINITION OF DUAL-USE ENERGY SYSTEM.—In this subsection, the term ‘dual-use energy system’ means a system under which renewable energy production and agricultural production, includ-
ing crop or animal production, occur together on the
same piece of land.

“(2) STUDY.—The Secretary shall carry out a
study on dual-use energy systems.

“(3) REPORT.—Not later than 2 years after the
date of enactment of the REAP Modernization Act
of 2023, the Secretary shall submit to Congress, and
make publicly available online, a report on the re-
results of the study carried out under paragraph (2),
which shall include a recommendation as to whether
the scope of grants and other financial assistance
under the Program should be expanded to cover
projects that generate more energy without signifi-
cantly impacting farm operations or leading to the
conversion of existing farm land.

“(h) ENERGY GENERATED.—In the case of a project
funded by a grant or other financial assistance provided
under the Program that takes place on a property on
which a residence is closely associated with and shares an
energy metering device with an agricultural operation or
rural small business to be served by the project, there shall
not be any requirement imposed relating to the quantity
of energy generated by the project that must be used by
the agricultural operation or rural small business.”; and
(9) in subsection (i) (as so redesignated), by adding at the end the following:

“(4) OUTREACH, TECHNICAL ASSISTANCE, AND EDUCATION.—Of the funds made available to carry out this section for a fiscal year, the Secretary shall use not more than 8 percent to carry out subsection (e).

“(5) RESERVE FUND.—

“(A) IN GENERAL.—There is established a reserve fund (referred to in this paragraph as the ‘reserve fund’), into which, each fiscal year, not less than 15 percent of the funds made available under paragraphs (1) and (3) to carry out this section for that fiscal year shall be transferred.

“(B) USE OF RESERVE FUND.—After all other funds for the Program are obligated for a fiscal year, the Secretary may use amounts in the reserve fund to provide grants and other financial assistance under the Program for projects using underutilized renewable energy technologies.

“(C) UNUSED FUNDS.—If there are remaining funds in the reserve fund at the end of a fiscal year, the Secretary shall use those re-
maining funds to provide grants and other fin-
nancial assistance under the Program without
regard to whether the grants or financial assist-
ance relate to underutilized renewable energy
technologies.”.

(b) CONFORMING AMENDMENTS.—Section 9007 of
the Farm Security and Rural Investment Act of 2002 (7
U.S.C. 8107) is amended by striking “subsection (f)” each
place it appears and inserting “subsection (i)”.