

lating to this section is being conducted at the State and local levels.

**(e) Lower-cost activities**

**(1) Limitation on use of funds**

Except as provided in paragraph (2), the Secretary shall use not less than 20 percent of the funds made available under subsection (g) to provide grants of \$20,000 or less.

**(2) Exception**

Effective beginning on June 30 of each fiscal year, paragraph (1) shall not apply to funds made available under subsection (g) for the fiscal year.

**(f) Report**

Not later than 4 years after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall submit to Congress a report on the implementation of this section, including the outcomes achieved by projects funded under this section.

**(g) Funding**

**(1) Mandatory funding**

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to remain available until expended—

- (A) \$55,000,000 for fiscal year 2009;
- (B) \$60,000,000 for fiscal year 2010;
- (C) \$70,000,000 for fiscal year 2011;
- (D) \$70,000,000 for fiscal year 2012; and
- (E) \$50,000,000 for fiscal year 2014 and each fiscal year thereafter.

**(2) Audit and technical assistance funding**

**(A) In general**

Subject to subparagraph (B), of the funds made available for each fiscal year under paragraph (1), 4 percent shall be available to carry out subsection (b).

**(B) Other use**

Funds not obligated under subparagraph (A) by April 1 of each fiscal year to carry out subsection (b) shall become available to carry out subsection (c).

**(3) Discretionary funding**

In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2014 through 2018.

(Pub. L. 107-171, title IX, §9007, as added Pub. L. 110-234, title IX, §9001(a), May 22, 2008, 122 Stat. 1315, and Pub. L. 110-246, §4(a), title IX, §9001(a), June 18, 2008, 122 Stat. 1664, 2077; amended Pub. L. 112-240, title VII, §701(f)(6), Jan. 2, 2013, 126 Stat. 2365; Pub. L. 113-79, title IX, §9007, Feb. 7, 2014, 128 Stat. 930.)

REFERENCES IN TEXT

The date of enactment of the Food, Conservation, and Energy Act of 2008, referred to in subsec. (f), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

PRIOR PROVISIONS

A prior section 8107, Pub. L. 107-171, title IX, §9007, May 13, 2002, 116 Stat. 483, related to application of hydrogen and fuel cell technologies, prior to the general amendment of this chapter by Pub. L. 110-246.

AMENDMENTS

2014—Subsec. (b)(2)(D), (E). Pub. L. 113-79, §9007(a)(1), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (c)(3), (4). Pub. L. 113-79, §9007(a)(2), added par. (4), redesignated former par. (4) as (3), and struck out former par. (3) which related to grants to agricultural producers or rural small businesses to conduct feasibility studies.

Subsec. (g)(1)(E). Pub. L. 113-79, §9007(b)(1), added subpar. (E).

Subsec. (g)(3). Pub. L. 113-79, §9007(b)(2), substituted “\$20,000,000 for each of fiscal years 2014 through 2018” for “\$25,000,000 for each of fiscal years 2009 through 2013”.

2013—Subsec. (g)(3). Pub. L. 112-240 substituted “2013” for “2012”.

EFFECTIVE DATE OF 2013 AMENDMENT

Amendment by Pub. L. 112-240 effective Sept. 30, 2012, see section 701(j) of Pub. L. 112-240, set out in a 1-Year Extension of Agricultural Programs note under section 8701 of this title.

**§ 8107a. Rural energy savings program**

**(a) Purpose**

The purpose of this section is to help rural families and small businesses achieve cost savings by providing loans to qualified consumers to implement durable cost-effective energy efficiency measures.

**(b) Definitions**

In this section:

**(1) Eligible entity**

The term “eligible entity” means—

(A) any public power district, public utility district, or similar entity, or any electric cooperative described in section 501(c)(12) or 1381(a)(2) of title 26, that borrowed and repaid, prepaid, or is paying an electric loan made or guaranteed by the Rural Utilities Service (or any predecessor agency);

(B) any entity primarily owned or controlled by 1 or more entities described in subparagraph (A); or

(C) any other entity that is an eligible borrower of the Rural Utilities Service, as determined under section 1710.101 of title 7, Code of Federal Regulations (or a successor regulation).

**(2) Energy efficiency measures**

The term “energy efficiency measures” means, for or at property served by an eligible entity, structural improvements and investments in cost-effective, commercial technologies to increase energy efficiency.

**(3) Qualified consumer**

The term “qualified consumer” means a consumer served by an eligible entity that has the ability to repay a loan made under subsection (d), as determined by the eligible entity.

**(4) Secretary**

The term “Secretary” means the Secretary of Agriculture, acting through the Administrator of the Rural Utilities Service.

**(c) Loans to eligible entities****(1) In general**

Subject to paragraph (2), the Secretary shall make loans to eligible entities that agree to use the loan funds to make loans to qualified consumers for the purpose of implementing energy efficiency measures.

**(2) Requirements****(A) In general**

As a condition of receiving a loan under this subsection, an eligible entity shall—

(i) establish a list of energy efficiency measures that is expected to decrease energy use or costs of qualified consumers;

(ii) prepare an implementation plan for use of the loan funds, including use of any interest to be received pursuant to subsection (d)(1)(A);

(iii) provide for appropriate measurement and verification to ensure—

(I) the effectiveness of the energy efficiency loans made by the eligible entity; and

(II) that there is no conflict of interest in carrying out this section; and

(iv) demonstrate expertise in effective use of energy efficiency measures at an appropriate scale.

**(B) Revision of list of energy efficiency measures**

Subject to the approval of the Secretary, an eligible entity may update the list required under subparagraph (A)(i) to account for newly available efficiency technologies.

**(C) Existing energy efficiency programs**

An eligible entity that, at any time before the date that is 60 days after February 7, 2014, has established an energy efficiency program for qualified consumers may use an existing list of energy efficiency measures, implementation plan, or measurement and verification system of that program to satisfy the requirements of subparagraph (A) if the Secretary determines the list, plan, or systems are consistent with the purposes of this section.

**(3) No interest**

A loan under this subsection shall bear no interest.

**(4) Repayment**

With respect to a loan under paragraph (1)—

(A) the term shall not exceed 20 years from the date on which the loan is closed; and

(B) except as provided in paragraph (6), the repayment of each advance shall be amortized for a period not to exceed 10 years.

**(5) Amount of advances**

Any advance of loan funds to an eligible entity in any single year shall not exceed 50 percent of the approved loan amount.

**(6) Special advance for start-up activities****(A) In general**

In order to assist an eligible entity in defraying the appropriate start-up costs (as determined by the Secretary) of establishing

new programs or modifying existing programs to carry out subsection (d), the Secretary shall allow an eligible entity to request a special advance.

**(B) Amount**

No eligible entity may receive a special advance under this paragraph for an amount that is greater than 4 percent of the loan amount received by the eligible entity under paragraph (1).

**(C) Repayment**

Repayment of the special advance—

(i) shall be required during the 10-year period beginning on the date on which the special advance is made; and

(ii) at the election of the eligible entity, may be deferred to the end of the 10-year period.

**(7) Limitation**

All special advances shall be made under a loan described in paragraph (1) during the first 10 years of the term of the loan.

**(d) Loans to qualified consumers****(1) Terms of loans**

Loans made by an eligible entity to qualified consumers using loan funds provided by the Secretary under subsection (c)—

(A) may bear interest, not to exceed 3 percent, to be used for purposes that include—

(i) to establish a loan loss reserve; and

(ii) to offset personnel and program costs of eligible entities to provide the loans;

(B) shall finance energy efficiency measures for the purpose of decreasing energy usage or costs of the qualified consumer by an amount that ensures, to the maximum extent practicable, that a loan term of not more than 10 years will not pose an undue financial burden on the qualified consumer, as determined by the eligible entity;

(C) shall not be used to fund purchases of, or modifications to, personal property unless the personal property is or becomes attached to real property (including a manufactured home) as a fixture;

(D) shall be repaid through charges added to the electric bill for the property for, or at which, energy efficiency measures are or will be implemented, on the condition that this requirement does not prohibit—

(i) the voluntary prepayment of a loan by the owner of the property; or

(ii) the use of any additional repayment mechanisms that are—

(I) demonstrated to have appropriate risk mitigation features, as determined by the eligible entity; or

(II) required if the qualified consumer is no longer a customer of the eligible entity; and

(E) shall require an energy audit by an eligible entity to determine the impact of proposed energy efficiency measures on the energy costs and consumption of the qualified consumer.

**(2) Contractors**

In addition to any other qualified general contractor, eligible entities may serve as general contractors.

**(e) Contract for measurement and verification, training, and technical assistance****(1) In general**

Not later than 90 days after February 7, 2014, the Secretary—

(A) shall establish a plan for measurement and verification, training, and technical assistance of the program; and

(B) may enter into 1 or more contracts with a qualified entity for the purposes of—

(i) providing measurement and verification activities; and

(ii) developing a program to provide technical assistance and training to the employees of eligible entities to carry out this section.

**(2) Use of subcontractors authorized**

A qualified entity that enters into a contract under paragraph (1) may use subcontractors to assist the qualified entity in carrying out the contract.

**(f) Additional authority**

The authority provided in this section is in addition to any other authority of the Secretary to offer loans under any other law.

**(g) Effective period**

Subject to the availability of funds and except as otherwise provided in this section, the loans and other expenditures required to be made under this section shall be available until expended, with the Secretary authorized to make new loans as loans are repaid.

**(h) Authorization of appropriations**

There is authorized to be appropriated to carry out this section \$75,000,000 for each of fiscal years 2014 through 2018.

(Pub. L. 107–171, title VI, §6407, as added Pub. L. 113–79, title VI, §2205, Feb. 7, 2014, 128 Stat. 857.)

## CODIFICATION

Section was not enacted as part of title IX of Pub. L. 107–171, which comprises this chapter.

**§ 8108. Biomass research and development****(a) Definitions**

In this section:

**(1) Biobased product**

The term “biobased product” means—

(A) an industrial product (including chemicals, materials, and polymers) produced from biomass; or

(B) a commercial or industrial product (including animal feed and electric power) derived in connection with the conversion of biomass to fuel.

**(2) Demonstration**

The term “demonstration” means demonstration of technology in a pilot plant or semi-works scale facility, including a plant or facility located on a farm.

**(3) Initiative**

The term “Initiative” means the Biomass Research and Development Initiative established under subsection (e).

**(b) Cooperation and coordination in biomass research and development****(1) In general**

The Secretary of Agriculture and the Secretary of Energy shall coordinate policies and procedures that promote research and development regarding the production of biofuels and biobased products.

**(2) Points of contact**

To coordinate research and development programs and activities relating to biofuels and biobased products that are carried out by their respective departments—

(A) the Secretary of Agriculture shall designate, as the point of contact for the Department of Agriculture, an officer of the Department of Agriculture appointed by the President to a position in the Department before the date of the designation, by and with the advice and consent of the Senate; and

(B) the Secretary of Energy shall designate, as the point of contact for the Department of Energy, an officer of the Department of Energy appointed by the President to a position in the Department before the date of the designation, by and with the advice and consent of the Senate.

**(c) Biomass Research and Development Board****(1) Establishment**

There is established the Biomass Research and Development Board to carry out the duties described in paragraph (3).

**(2) Membership**

The Board shall consist of—

(A) the point of contacts of the Department of Energy and the Department of Agriculture, who shall serve as cochairpersons of the Board;

(B) a senior officer of each of the Department of the Interior, the Environmental Protection Agency, the National Science Foundation, and the Office of Science and Technology Policy, each of whom shall have a rank that is equivalent to the rank of the points of contact; and

(C) at the option of the Secretary of Agriculture and the Secretary of Energy, other members appointed by the Secretaries (after consultation with the Board).

**(3) Duties**

The Board shall—

(A) coordinate research and development activities relating to biofuels and biobased products—

(i) between the Department of Agriculture and the Department of Energy; and

(ii) with other departments and agencies of the Federal Government;

(B) provide recommendations to the points of contact concerning administration of this chapter;

(C) ensure that—

(i) solicitations are open and competitive with awards made annually; and

(ii) objectives and evaluation criteria of the solicitations are clearly stated and