

7 USC 8107: Rural Energy for America Program

Text contains those laws in effect on March 11, 2026

From Title 7-AGRICULTURE**CHAPTER 107-RENEWABLE ENERGY RESEARCH AND DEVELOPMENT****Jump To:**[Source Credit](#)[Miscellaneous](#)[Codification](#)[Prior Provisions](#)[Amendments](#)[Effective Date](#)

§8107. Rural Energy for America Program

(a) Establishment

The Secretary, in consultation with the Secretary of Energy, shall establish a Rural Energy for America Program to promote energy efficiency and renewable energy development for agricultural producers and rural small businesses through-

- (1) grants for energy audits and renewable energy development assistance; and
- (2) financial assistance for energy efficiency improvements and renewable energy systems.

(b) Energy audits and renewable energy development assistance

(1) In general

The Secretary shall make competitive grants to eligible entities to provide assistance to agricultural producers and rural small businesses-

- (A) to become more energy efficient; and
- (B) to use renewable energy technologies and resources.

(2) Eligible entities

An eligible entity under this subsection is-

- (A) a unit of State, tribal, or local government;
- (B) a land-grant college or university or other institution of higher education;
- (C) a rural electric cooperative or public power entity;
- (D) a council (as defined in [section 3451 of title 16](#)); and
- (E) any other similar entity, as determined by the Secretary.

(3) Selection criteria

In reviewing applications of eligible entities to receive grants under paragraph (1), the Secretary shall consider-

- (A) the ability and expertise of the eligible entity in providing professional energy audits and renewable energy assessments;
- (B) the geographic scope of the program proposed by the eligible entity in relation to the identified need;
- (C) the number of agricultural producers and rural small businesses to be assisted by the program;
- (D) the potential of the proposed program to produce energy savings and environmental benefits;
- (E) the plan of the eligible entity for performing outreach and providing information and assistance to agricultural producers and rural small businesses on the benefits of energy efficiency and renewable energy development; and
- (F) the ability of the eligible entity to leverage other sources of funding.

(4) Use of grant funds

A recipient of a grant under paragraph (1) shall use the grant funds to assist agricultural producers and rural small businesses by-

- (A) conducting and promoting energy audits; and
- (B) providing recommendations and information on how-
 - (i) to improve the energy efficiency of the operations of the agricultural producers and rural small businesses; and
 - (ii) to use renewable energy technologies and resources in the operations.

(5) Limitation

Grant recipients may not use more than 5 percent of a grant for administrative expenses.

(6) Cost sharing

A recipient of a grant under paragraph (1) that conducts an energy audit for an agricultural producer or rural small business under paragraph (4) shall require that, as a condition of the energy audit, the agricultural producer or rural small business pay at least 25 percent of the cost of the energy audit, which shall be retained by the eligible entity for the cost of the energy audit.

(c) Financial assistance for energy efficiency improvements and renewable energy systems**(1) In general****(A) Assistance**

In addition to any similar authority, the Secretary shall provide-

(i) loan guarantees and grants to agricultural producers and rural small businesses-

(I) to purchase renewable energy systems, including systems that may be used to produce and sell electricity; and

(II) to make energy efficiency improvements; and

(ii) loan guarantees to agricultural producers to purchase and install energy efficient equipment or systems for agricultural production or processing that exceed-

(I) energy efficiency building codes, if applicable;

(II) Federal or State energy efficiency standards, if applicable; and

(III) other energy efficiency standards determined appropriate by the Secretary.

(B) Limitations

With respect to loan guarantees under subparagraph (A)(ii)-

(i) if no codes or standards described in such subparagraph apply to the energy efficient equipment or system to be purchased or installed pursuant to such subparagraph, the Secretary shall require, to the maximum extent practicable, such equipment or system to meet the same efficiency measurements as the most efficient available equipment or system in the market; and

(ii) the Secretary shall not provide such a loan guarantee for the purchase or installation of any energy efficient equipment or system unless more than one type of such equipment or system is available in the market.

(2) Award considerations

In determining the amount of a loan guarantee or grant provided under this section, the Secretary shall take into consideration, as applicable-

(A) the type of renewable energy system to be purchased;

(B) the estimated quantity of energy to be generated by the renewable energy system;

(C) the expected environmental benefits of the renewable energy system;

(D) the quantity of energy savings expected to be derived from the activity, as demonstrated by an energy audit;

(E) the estimated period of time for the energy savings generated by the activity to equal the cost of the activity;

(F) the expected energy efficiency of the renewable energy system; and

(G) other appropriate factors.

(3) Limits**(A) Grants**

The amount of a grant under this subsection shall not exceed 25 percent of the cost of the activity carried out using funds from the grant.

(B) Maximum amount of loan guarantees

The amount of a loan guaranteed under this subsection shall not exceed \$25,000,000.

(C) Maximum amount of combined grant and loan guarantee

The combined amount of a grant and loan guaranteed under this subsection shall not exceed 75 percent of the cost of the activity funded under this subsection.

(D) Loan guarantees for energy efficient equipment to agricultural producers

Using funds made available under paragraphs (1) and (3) of subsection (f), in each fiscal year the Secretary may use for loan guarantees under paragraph (1)(A)(ii) an amount that does not exceed 15

percent of such funds.

(4) Tiered application process

(A) In general

In providing loan guarantees and grants under this subsection, the Secretary shall use a 3-tiered application process that reflects the size of proposed projects in accordance with this paragraph.

(B) Tier 1

The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is not more than \$80,000.

(C) Tier 2

The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is greater than \$80,000 but less than \$200,000.

(D) Tier 3

The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is equal to or greater than \$200,000.

(E) Application process

The Secretary shall establish an application, evaluation, and oversight process that is the most simplified for tier I projects and more comprehensive for each subsequent tier.

(d) Outreach

The Secretary shall ensure, to the maximum extent practicable, that adequate outreach relating 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 (f) 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 (f) for the fiscal year.

(f) 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 2019 through 2023.

(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 ; Pub. L. 115–334, title IX, §9007, Dec. 20, 2018, 132 Stat. 4886 .)

EDITORIAL NOTES

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

2018-Subsec. (c)(1). Pub. L. 115–334, §9007(1)(A), amended par. (1) generally. Prior to amendment, text read as follows: "In addition to any similar authority, the Secretary shall provide loan guarantees and grants to agricultural producers and rural small businesses-

"(A) to purchase renewable energy systems, including systems that may be used to produce and sell electricity; and

"(B) to make energy efficiency improvements."

Subsec. (c)(3)(D). Pub. L. 115–334, §9007(1)(B), added subpar. (D).

Subsec. (e). Pub. L. 115–334, §9007(2), substituted "subsection (f)" for "subsection (g)" in pars. (1) and (2).

Subsec. (f). Pub. L. 115–334, §9007(3), redesignated subsec. (g) as (f) and struck out former subsec. (f). Prior to amendment, text of subsec. (f) read as follows: "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."

Subsec. (f)(3). Pub. L. 115–334, §9007(4), substituted "2019 through 2023" for "2014 through 2018".

Subsec. (g). Pub. L. 115–334, §9007(3), redesignated subsec. (g) as (f).

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".

STATUTORY NOTES AND RELATED SUBSIDIARIES

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](#).

EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110–234 by Pub. L. 110–246 effective May 22, 2008, the date of enactment of Pub. L. 110–234, see section 4 of Pub. L. 110–246, set out as a note under [section 8701 of this title](#).