

TESTIMONY OF DAVID TERRY, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS, BEFORE THE SENATE APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES IN SUPPORT OF FY'19 USDA FUNDING

March 28, 2018

Chairman Hoeven and Ranking Member Merkley, I am David Terry, Executive Director of the National Association of State Energy Officials (NASEO), and I am testifying in support of FY'19 funding for the energy title of the Farm Bill. **The mandatory levels of the energy title of the Farm Bill should be preserved.** Specifically, we support funding of at least \$19 million in additional discretionary spending for the Rural Energy for America (REAP) program (Section 9007 of the last multi-year Farm Bill), in addition to \$50 million in mandatory funding for REAP. The REAP program was created in the 2002 Farm Bill and it has been a huge success. Over 15,000 energy efficiency and renewable energy projects have been implemented in every state since 2003. With a required \$3 match of non-federal funds for every federal dollar invested in REAP, over \$1.6 billion in matching funds have been provided. Billions of dollars have been leveraged.

This program has specifically benefitted farmers, ranchers and rural small businesses that are often underserved by other federal energy efforts. NASEO's State Energy Office members work directly with eligible entities, as well as state agricultural agencies and rural interests to promote this successful program. REAP is about facilitating private-sector led rural economic development. Finally, we support \$15 million in mandatory funding and \$4 million in discretionary funding; a total of \$19 million for the Rural Energy for America Loans program.

NASEO represents the energy offices in the 56 states, territories and the District of Columbia. The REAP program, and the other critical programs in the energy title of the last multi-year Farm Bill, helps the private sector create jobs, supports increased agricultural productivity and operational efficiency, reduces energy costs for farmers, ranchers and rural small businesses, generates home-grown energy, promotes use of alternative fuels produced by America's farmers, and further reduces our dependence on imported petroleum. The cost is very low and the payback is very high.

As noted above, NASEO also supports additional energy title programs. There are several of note that should continue to be supported at or as near to existing mandatory funding levels as possible. These include the Biomass Crop Assistance Program, the Biorefinery Assistance, Renewable Chemical and Biobased Product Manufacturing Assistance Program, and the Biobased Markets Program (otherwise referred to as "Biopreferred").

In FY'19, we urge your support for the REAP program and the Rural Energy for America Loans program, and additional energy title programs as noted above.

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