

**AMENDMENT TO H.R. 5019, AS REPORTED  
OFFERED BY MR. CLYBURN OF SOUTH CAROLINA**

Page 65, line 19, strike "Subject" and insert "In addition to the amounts authorized to carry out section 113 and subject".

Page 72, after line 13, insert the following new section:

**1 SEC. 113. RURAL ENERGY SAVINGS PROGRAM.**

2 (a) PURPOSE.—The purpose of this section is to cre-  
3 ate and save jobs by providing loans to qualified con-  
4 sumers that will use the loan proceeds to implement en-  
5 ergy efficiency measures to achieve significant reductions  
6 in energy costs, energy consumption, or carbon emissions.

7 (b) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term "eligible enti-  
9 ty" means—

10 (A) any public power district, public utility  
11 district, or similar entity, or any electric cooper-  
12 ative described in sections 501(c)(12) or  
13 1381(a)(2)(C) of the Internal Revenue Code of  
14 1986, that borrowed and repaid, prepaid, or is  
15 paying an electric loan made or guaranteed by

1 the Rural Utilities Service (or any predecessor  
2 agency); or

3 (B) any entity primarily owned or con-  
4 trolled by an entity or entities described in sub-  
5 paragraph (A).

6 (2) ENERGY EFFICIENCY MEASURES.—The  
7 term “energy efficiency measures” means, for or at  
8 property served by an eligible entity, structural im-  
9 provements and investments in cost-effective, com-  
10 mercial off-the-shelf technologies to reduce home en-  
11 ergy use.

12 (3) QUALIFIED CONSUMER.—The term “quali-  
13 fied consumer” means a consumer served by an eli-  
14 gible entity that has the ability to repay a loan made  
15 under subsection (d), as determined by an eligible  
16 entity.

17 (4) QUALIFIED ENTITY.—The term “qualified  
18 entity” means a non-governmental, not-for-profit or-  
19 ganization that the Secretary determines has signifi-  
20 cant experience, on a national basis, in providing eli-  
21 gible entities with—

22 (A) energy, environmental, energy effi-  
23 ciency, and information research and tech-  
24 nology;

25 (B) training, education, and consulting;

1 (C) guidance in energy and operational  
2 issues and rural community and economic de-  
3 velopment;

4 (D) advice in legal and regulatory matters  
5 affecting electric service and the environment;  
6 and

7 (E) other relevant assistance.

8 (5) SECRETARY.—The term “Secretary” means  
9 the Secretary of Agriculture, acting through the  
10 Rural Utilities Service.

11 (c) LOANS AND GRANTS TO ELIGIBLE ENTITIES.—

12 (1) LOANS AUTHORIZED.—Subject to para-  
13 graph (2), the Secretary shall make loans to eligible  
14 entities that agree to use the loan funds to make  
15 loans to qualified consumers as described in sub-  
16 section (d) for the purpose of implementing energy  
17 efficiency measures.

18 (2) LIST, PLAN, AND MEASUREMENT AND  
19 VERIFICATION REQUIRED.—

20 (A) IN GENERAL.—As a condition to re-  
21 ceiving a loan or grant under this subsection,  
22 an eligible entity shall—

23 (i) establish a list of energy efficiency  
24 measures that is expected to decrease en-  
25 ergy use or costs of qualified consumers;

1 (ii) prepare an implementation plan  
2 for use of the loan funds; and

3 (iii) provide for appropriate measure-  
4 ment and verification to ensure the effec-  
5 tiveness of the energy efficiency loans  
6 made by the eligible entity and that there  
7 is no conflict of interest in the carrying out  
8 of this section.

9 (B) REVISION OF LIST OF ENERGY EFFI-  
10 CIENCY MEASURES.—An eligible entity may up-  
11 date the list required under subparagraph  
12 (A)(i) to account for newly available efficiency  
13 technologies, subject to the approval of the Sec-  
14 retary.

15 (C) EXISTING ENERGY EFFICIENCY PRO-  
16 GRAMS.—An eligible entity that, on or before  
17 the date of the enactment of this section or  
18 within 60 days after such date, has already es-  
19 tablished an energy efficiency program for  
20 qualified consumers may use an existing list of  
21 energy efficiency measures, implementation  
22 plan, or measurement and verification system of  
23 that program to satisfy the requirements of  
24 subparagraph (A) if the Secretary determines

1 the list, plans, or systems are consistent with  
2 the purposes of this section.

3 (3) NO INTEREST.—A loan under this sub-  
4 section shall bear no interest.

5 (4) REPAYMENT.—A loan under this subsection  
6 shall be repaid not more than 10 years from the  
7 date on which an advance on the loan is first made  
8 to the eligible entity.

9 (5) LOAN FUND ADVANCES.—The Secretary  
10 shall provide eligible entities with a schedule of not  
11 more than ten years for advances of loan funds, ex-  
12 cept that any advance of loan funds to an eligible  
13 entity in any single year shall not exceed 50 percent  
14 of the approved loan amount.

15 (6) JUMP-START GRANTS.—The Secretary shall  
16 make grants available to eligible entities selected to  
17 receive a loan under this subsection in order to as-  
18 sist an eligible entity to defray costs, including costs  
19 of contractors for equipment and labor, except that  
20 no eligible entity may receive a grant amount that  
21 is greater than 4 percent of the loan amount.

22 (d) LOANS TO QUALIFIED CONSUMERS.—

23 (1) TERMS OF LOANS.—Loans made by an eli-  
24 gible entity to qualified consumers using loan funds  
25 provided by the Secretary under subsection (c)—

1 (A) may bear interest, not to exceed 3 per-  
2 cent, to be used for purposes that include estab-  
3 lishing a loan loss reserve and to offset per-  
4 sonnel and program costs of eligible entities to  
5 provide the loans;

6 (B) shall finance energy efficiency meas-  
7 ures for the purpose of decreasing energy usage  
8 or costs of the qualified consumer by an  
9 amount such that a loan term of not more than  
10 ten years will not pose an undue financial bur-  
11 den on the qualified consumer, as determined  
12 by the eligible entity;

13 (C) shall not be used to fund energy effi-  
14 ciency measures made to personal property un-  
15 less the personal property—

16 (i) is or becomes attached to real  
17 property as a fixture; or

18 (ii) is a manufactured home;

19 (D) shall be repaid through charges added  
20 to the electric bill of the qualified consumer;  
21 and

22 (E) shall require an energy audit by an eli-  
23 gible entity to determine the impact of proposed  
24 energy efficiency measures on the energy costs  
25 and consumption of the qualified consumer.

1           (2) CONTRACTORS.—In addition to any other  
2           qualified general contractor, eligible entities may  
3           serve as general contractors.

4           (e) CONTRACT FOR MEASUREMENT AND  
5 VERIFICATION, TRAINING, AND TECHNICAL ASSIST-  
6 ANCE.—

7           (1) CONTRACT REQUIRED.—Not later than 60  
8           days after the date of enactment of this section, the  
9           Secretary shall enter into one or more contracts with  
10          a qualified entity for the purposes of—

11                 (A) providing measurement and  
12                 verification activities, including—

13                         (i) developing and completing a rec-  
14                         ommended protocol for measurement and  
15                         verification for the Rural Utilities Service;

16                         (ii) establishing a national measure-  
17                         ment and verification committee consisting  
18                         of representatives of eligible entities to as-  
19                         sist the contractor in carrying out this sec-  
20                         tion;

21                         (iii) providing measurement and  
22                         verification consulting services to eligible  
23                         entities that receive loans under this sec-  
24                         tion; and

1 (iv) providing training in measure-  
2 ment and verification; and

3 (B) developing a program to provide tech-  
4 nical assistance and training to the employees  
5 of eligible entities to carry out this section.

6 (2) USE OF SUBCONTRACTORS AUTHORIZED.—

7 A qualified entity that enters into a contract under  
8 paragraph (1) may use subcontractors to assist the  
9 qualified entity in performing the contract.

10 (f) FAST START DEMONSTRATION PROJECTS.—

11 (1) DEMONSTRATION PROJECTS REQUIRED.—

12 The Secretary shall enter into agreements with eligi-  
13 ble entities (or groups of eligible entities) that have  
14 energy efficiency programs described in subsection  
15 (c)(2)(C) to establish an energy efficiency loan dem-  
16 onstration projects consistent with the purposes of  
17 this section that—

18 (A) implement approaches to energy audits  
19 and investments in energy efficiency measures  
20 that yield measurable and predictable savings;

21 (B) use measurement and verification  
22 processes to determine the effectiveness of en-  
23 ergy efficiency loans made by eligible entities;

24 (C) include training for employees of eligi-  
25 ble entities, including any contractors of such

1 entities, to implement or oversee the activities  
2 described in subparagraphs (A) and (B);

3 (D) provide for the participation of a ma-  
4 jority of eligible entities in a State;

5 (E) reduce the need for generating capac-  
6 ity;

7 (F) provide efficiency loans to—

8 (i) not fewer than 20,000 consumers,  
9 in the case of a single eligible entity; or

10 (ii) not fewer than 80,000 consumers,  
11 in the case of a group of eligible entities;

12 and

13 (G) serve areas where a large percentage  
14 of consumers reside—

15 (i) in manufactured homes; or

16 (ii) in housing units that are more  
17 than 50 years old.

18 (2) DEADLINE FOR IMPLEMENTATION.—The  
19 agreements required by paragraph (1) shall be en-  
20 tered into not later than 90 days after the date of  
21 enactment of this section.

22 (3) EFFECT ON AVAILABILITY OF LOANS NA-  
23 TIONALLY.—Nothing in this subsection shall delay  
24 the availability of loans to eligible entities on a na-

1 tional basis beginning not later than 180 days after  
2 the date of enactment of this section.

3 (4) ADDITIONAL DEMONSTRATION PROJECT AU-  
4 THORITY.—The Secretary may conduct demonstra-  
5 tion projects in addition to the project required by  
6 paragraph (1). The additional demonstration  
7 projects may be carried out without regard to sub-  
8 paragraphs (D), (F), or (G) of paragraph (1).

9 (g) ADDITIONAL AUTHORITY.—The authority pro-  
10 vided in this section is in addition to any authority of the  
11 Secretary to offer loans or grants under any other law.

12 (h) AUTHORIZATION OF APPROPRIATIONS.—

13 (1) IN GENERAL.—There is authorized to be  
14 appropriated to the Secretary in fiscal year 2010  
15 \$993,000,000 to carry out this section. Notwith-  
16 standing paragraph (2), amounts appropriated pur-  
17 suant to this authorization of appropriations shall  
18 remain available until expended.

19 (2) AMOUNTS FOR LOANS, GRANTS, STAFF-  
20 ING.—Of the amounts appropriated pursuant to the  
21 authorization of appropriations in paragraph (1), the  
22 Secretary shall make available—

23 (A) \$755,000,000 for the purpose of cov-  
24 ering the cost of direct loans to eligible entities  
25 under subsection (c) to subsidize gross obliga-

1           tions in the principal amount of not to exceed  
2           \$4,900,000,000;

3           (B) \$25,000,000 for measurement and  
4           verification activities under subsection  
5           (e)(1)(A);

6           (C) \$2,000,000 for the contract for train-  
7           ing and technical assistance authorized by sub-  
8           section (e)(1)(B);

9           (D) \$200,000,000 for jump-start grants  
10          authorized by subsection (c)(6); and

11          (E) \$1,100,000 for each of fiscal years  
12          2010 through 2019 for 10 additional employees  
13          of the Rural Utilities Service to carry out this  
14          section.

15          (i) EFFECTIVE PERIOD.—Subject to subsection  
16          (h)(1) and except as otherwise provided in this section,  
17          the loans, grants, and other expenditures required to be  
18          made under this section are authorized to be made during  
19          each of fiscal years 2010 through 2014.

20          (j) REGULATIONS.—

21               (1) IN GENERAL.—Except as otherwise pro-  
22               vided in this subsection, not later than 180 days  
23               after the date of enactment of this section, the Sec-  
24               retary shall promulgate such regulations as are nec-  
25               essary to implement this section.

1           (2) PROCEDURE.—The promulgation of the reg-  
2           ulations and administration of this section shall be  
3           made without regard to—

4                   (A) chapter 35 of title 44, United States  
5           Code (commonly known as the “Paperwork Re-  
6           duction Act”); and

7                   (B) the Statement of Policy of the Sec-  
8           retary of Agriculture effective July 24, 1971  
9           (36 Fed. Reg. 13804), relating to notices of  
10          proposed rulemaking and public participation in  
11          rulemaking.

12          (3) CONGRESSIONAL REVIEW OF AGENCY RULE-  
13          MAKING.—In carrying out this section, the Secretary  
14          shall use the authority provided under section 808 of  
15          title 5, United States Code.

16          (4) INTERIM REGULATIONS.—Notwithstanding  
17          paragraphs (1) and (2), to the extent regulations are  
18          necessary to carry out any provision of this section,  
19          the Secretary shall implement such regulations  
20          through the promulgation of an interim rule.

21          (5) REPORTING REQUIREMENTS AND EFFECT  
22          OF OTHER PROVISIONS.—The Secretary shall—

23                   (A) carry out this section without regard  
24                  to the provisions of any other section of this  
25                  Act; and

1 (B) notwithstanding section 106, prepare  
2 any report to the Congress with respect to the  
3 implementation of this section and submit any  
4 such report to the Committee on Agriculture,  
5 Nutrition, and Forestry of the Senate and the  
6 Committee on Agriculture of the House of Rep-  
7 resentatives.

8 (k) ELIGIBILITY FOR REBATES AND OTHER  
9 LOANS.—An eligible entity that makes loans to qualified  
10 consumers in compliance with this section, including the  
11 list, plan, and measurement and verification requirements  
12 prescribed under subsection (c)(2)—

13 (1) shall be eligible to claim a rebate under sec-  
14 tion 103 with respect to the purchase and installa-  
15 tion of any energy savings measure described in sub-  
16 section (b) of that section or, if the requirement of  
17 subsection (d)(1)(B) of this section is satisfied, any  
18 energy efficiency measure described in subsection  
19 (b)(2) of this section provided that the eligible entity  
20 agrees to pass on the value of such rebate to the  
21 qualified consumer through an adjustment in the  
22 loan amount;

23 (2) shall be eligible to claim a rebate under sec-  
24 tion 104 with respect to the purchase and installa-  
25 tion of any energy efficiency measures described in

1 subsection (b)(2) of this section provided that such  
2 measure achieves whole home energy savings and  
3 satisfies the requirement of subsection (d)(1)(B) of  
4 this section and that the eligible entity agrees to  
5 pass on the value of such rebate to the qualified con-  
6 sumer through an adjustment in the loan amount;

7 (3) shall, when claiming a rebate under sections  
8 103 or 104 or when serving as a qualified financing  
9 entity under section 111, be deemed to have satisfied  
10 all of the provisions of any other section of this Act,  
11 including but not limited to the requirements estab-  
12 lished pursuant to section 105, unless otherwise spe-  
13 cifically required by this section;

14 (4) shall notify qualified consumers of the treat-  
15 ment of rebates under the Internal Revenue Code as  
16 provided in section 107; and

17 (5) shall be subject to the limitation on rebates  
18 provided under section (101)(j).

