

**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'17 USDA FUNDING**

March 14, 2016

Chairman Moran 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'17 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 \$49 million in mandatory funding for REAP. The REAP program was created in the 2002 Farm Bill and it has been a huge success. Over 10,000 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. This program has specifically benefitted farmers, ranchers and rural small businesses. 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 rural economic development. The Biomass Crop Assistance Program supports producers who will supply biomass feedstocks for advanced biofuels. We urge the Subcommittee to provide \$50 million for this effort in FY'17, \$24 million above the mandatory funding. 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 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 create jobs, increases agricultural productivity, saves energy for farmers, ranchers and rural small businesses, generates energy, promotes use of alternative fuels, reduces our dependence on imported petroleum and saves money in rural America. The cost is very low and the payback is very high.

In FY'17, we urge your support for the REAP program, the Rural Energy for America Loans program, the Biomass Crop Assistance Program.

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