



FACT SHEET

Rural Energy for America Program (REAP)

Issue Summary: *Family farmers and ranchers continually seek ways to become more sustainable by producing their own renewable energy and reducing energy costs on their farms and ranches. Congress created the Rural Energy for America Program (REAP) to address these concerns by funding a variety of renewable energy and energy efficiency systems.*

- As authorized by the Farm Security and Rural Investment Act of 2002, REAP provides financial assistance, through grants and guaranteed loans, to agricultural producers and rural small businesses to purchase, install, and construct renewable energy systems, make energy efficiency improvements to non-residential buildings, use renewable technologies to reduce energy consumption, and participate in energy audits and renewable energy development assistance. (USDA-RD)
- Since 2008, REAP has funded over 9,000 renewable energy projects across the nation and given approximately \$300 million in grants and \$228 million in guaranteed loans. (USDA-RBS)
- REAP, administered by USDA's Rural Business Service, is comprised of two programs: the Renewable Energy System and Energy Efficiency Improvement Guaranteed Loan and Grant Program, and the Energy Audit and Renewable Energy Development Assistance Grant Program. (USDA-RD)
- The Renewable Energy System and Energy Efficiency Improvement Guaranteed Loan and Grant Program creates opportunities for economic development for rural businesses by supporting renewable energy and energy efficiency projects. These renewable energy projects can come from various sources including renewable biomass, anaerobic digesters, geothermal for electrical and direct use, hydroelectric, hydrogen, wind, solar, and tidal. (USDA-RD)
- The Energy Audit and Renewable Energy Development Assistance Grant Program offers grant assistance to agricultural producers and small rural businesses by conducting energy audits and providing information on renewable energy development assistance. (USDA-RD)
- In the Agricultural Act of 2014, Congress allocated \$250 million in mandatory funding and \$100 million in discretionary funding for REAP. This amount is only a slight reduction from the 2008 Farm Bill which allowed \$255 million in mandatory funding for REAP projects. (USDA-RD)