

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

April 26, 2013

Chairman Pryor and Ranking Member Blunt, I am David Terry, Executive Director of the National Association of State Energy Officials (NASEO) (dterry@naseo.org), and I am testifying in support of funding for the energy title of the Farm Bill. Specifically, we support funding of at least \$70 million for the Rural Energy for America (REAP) program (Section 9007 of the last multi-year Farm Bill). 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 members work directly with eligible entities, as well as state agricultural agencies and rural interests to promote this successful program. Rising oil and distillate prices have made this program even more important. REAP is about rural economic development.

The Biorefinery Assistance Program also provides critical financing for the first generation of biorefineries. It is important for the nation to expand our fuel diversity. \$75 million should be provided for this program.

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'14.

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.

We hope that a new multi-year Farm Bill will be approved this year. The short-term FY'14 extension of the Farm Bill excluded the critical energy title programs. The \$800 million in mandatory spending contained in the Senate version of last year's Farm Bill would be a good start.

We urge your support for the REAP program, the Biorefinery Assistance Program and the Biomass Crop Assistance Program.