

Handwritten signature: Amy F. Bennett

Purpose: To modify Rural Utilities Service electric programs.

S. ____

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2031, and for other purposes.

Amendment intended to be proposed by Mr Bennett

Viz:

At the appropriate place in part II of subtitle A of title VI, insert the following:

SEC. 61 __. RURAL UTILITIES SERVICE ELECTRIC PROGRAMS.

(a) Cushion of Credit Accounts.—Section 313(a)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 940c(a)(1)) is amended by adding at the end the following:

“(C) SPECIAL DEPOSITS AND WITHDRAWALS.—

“(i) IN GENERAL.—Effective beginning on the date of enactment of this subparagraph, the Secretary may permit—

“(I) deposits of funds into the cushion of credit accounts for Rural Utilities Service electric program borrowers or awardees for the purpose of providing adequate security for loans or grant awards made pursuant to section 9003(j) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103(j));

“(II) withdrawals of funds from the cushion of credit accounts for Rural Utilities Service electric program borrowers or awardees for the purpose of—

“(aa) payments for purchases under power purchase and energy storage agreements;

“(bb) infrastructure construction; or

“(cc) loan payments to the Rural Utilities Service; or

“(III) deposits of funds into or withdrawals of funds from the cushion of credit accounts for Rural Utilities Service electric program borrowers or awardees for such other purposes as the Secretary determines necessary to reduce risk to the Federal Government for projects funded by the Rural Utilities Service or to reduce electric rates to rural ratepayers.

“(ii) EFFECT.—Deposits of funds into or withdrawals of funds from the cushion of credit accounts, and the accrual of interest on those deposits, shall not be a basis to change the jurisdiction of any Federal or State regulatory agency regarding any depositing or withdrawing Rural Utilities Service electric program borrower or awardee and shall not constitute the receipt of financing by the depositing Rural Utilities Service electric program borrower or awardee for

purposes of section 201(f) of the Federal Power Act (16 U.S.C. 824(f)) or any other Federal, State, or local regulatory laws, frameworks, or regimes.

“(iii) INTEREST.—

“(I) IN GENERAL.—Deposits under this subparagraph shall accrue interest at the prescribed cushion of credit annual interest rate.

“(II) WITHDRAWALS.—Interest accrued under subclause (I) may be withdrawn solely for the purposes described in this subparagraph.

“(III) EFFECT.—Notwithstanding any other applicable laws or regulations relating to interest earned on Federal grant or other funds, interest accrued under subclause (I) on deposits under this subparagraph shall constitute property of the depositing Rural Utilities Service electric program borrower or awardee from the date of such deposit, subject only to the restrictions on withdrawal under this subparagraph.”.

(b) Rural Electrification Act Program Eligibility.—To facilitate continued investment in rural electric infrastructure and the timely replacement of aging infrastructure, current and former Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) borrowers shall be deemed to be eligible to participate in electric loan and grant programs under that Act, subject to the funding priorities of the Rural Utilities Service.

(c) Electric Loans for Renewable Energy.—Section 317 of the Rural Electrification Act of 1936 (7 U.S.C. 940g) is amended by striking subsection (c).

(d) Grants.—

(1) AUTHORITY.—Section 2(a) of the Rural Electrification Act of 1936 (7 U.S.C. 902(a)) is amended—

(A) in the subsection heading, by inserting “and grants” after “loans”; and

(B) by inserting “and grants” after “loans” the first place it appears.

(2) FUNDS.—Section 4(a) of the Rural Electrification Act of 1936 (7 U.S.C. 904(a)) is amended by inserting “and grants” after “loans” the first place it appears.

(e) Prevailing Wages.—If the payment of prevailing wages is required by statute or regulation, the Rural Utilities Service may accept awardee certifications as evidence of compliance, subject to periodic review by the Rural Development Office of External Affairs.