

FARMERS, RANCHERS, AND RURAL BUSINESSES CAN APPLY FOR FEDERAL FUNDING TO INVEST IN RENEWABLE ENERGY SYSTEMS AND ENERGY-EFFICIENCY IMPROVEMENTS



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The U.S. Department of Agriculture (USDA) is accepting applications starting on April 1 for \$1 billion in federal funding grants to help agricultural producers and rural small businesses invest in renewable energy systems and make energy-efficiency improvements. USDA is making the \$1 billion in grants available under the Rural Energy for America Program (REAP), funded by the bi-partisan Inflation Reduction Act.

Renewable energy for farmers and ranchers is an old idea with new appeal. The movement toward more self-sufficient farms and a central role for agriculture in the U.S. energy supply is vital for rural communities and the nation at large. Increased renewable energy in and from agriculture may call to mind windmills powering water pumps, but today renewable technologies supply or supplement many on-farm energy requirements, from water pumping to space heating to powering electric tractors and combines. Increasingly, farmers and ranchers are selling energy (e.g., electricity generated from wind turbines, biofuels, solar panel farms on excess ranchland, and products from biomass). This contributes to greater energy security in agriculture through increased diversity of energy sources, more self-supply of energy, and reduced environmental impact.

This is why the new REAP Grant Program represents such a significant opportunity for farmers, ranchers, and rural businesses. Grant recipients may use REAP funds to install renewable energy systems or to make energy-efficiency improvements. Eligible applicants include rural small businesses and agricultural producers.

USDA will hold competitions quarterly through September 30, 2024. The funding will also include the creation of the first underutilized technology fund in the REAP program, with \$144.5 million available in dedicated funding.

USDA is particularly interested in REAP projects that will help rural communities recover economically through more and better market opportunities and improved infrastructure, reduce climate pollution and increase resilience to the impacts of climate change, conserve and protect farmland, and invest in underserved communities. To ensure that small projects have a fair opportunity to compete for funding,

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USDA will set aside at least 20% of the available funds until June 30 each year for grant requests of \$20,000 or less, including the grant portion of a combined grant and guaranteed loan request.

The maximum federal share that may be requested is up to 50% of the total project cost for all energy-efficiency projects and zero-emissions renewable energy systems. An award of up to 50% of the total project cost is also available for any project in a designated energy community and/or submitted by an eligible tribal entity. All other projects are eligible to apply for grants of up to 25% of the total project cost. The maximum grant is \$1 million for renewable energy systems and \$500,000 for energy-efficiency projects.

Whether a farmer, rancher, or rural business owner, investing in renewable energy systems and improving energy efficiency in existing systems can make a vital difference to your bottom line.

To learn more about REAP Grant opportunities and how to apply for funding, visit the USDA's webpage at <https://www.rd.usda.gov/programs-services/energy-programs/rural-energy-america-program-renewable-energy-systems-energy-efficiency-improvement-guaranteed-loans>, or contact the GrayRobinson national [Food Law Team](#) at 866.382.5132 or foodlaw@gray-robinson.com.

Richard M. Blau leads the GrayRobinson national Food Law Team, focusing on the laws that govern the production, importation, processing, marketing, distribution, and sale of foods and beverages throughout the United States. Richard works with all levels of the food industry. He has represented international importers and domestic producers, processors and regional distributors, and retailers (including multistate restaurant and grocery store chains) across the nation. Richard has achieved numerous peer-related accolades for his legal work, including Chambers and Partners – nationally ranked as "Band 1" for food and alcohol beverage law; Best Lawyers® in America – nationally listed for food and beverage law; and Super Lawyers – elected member.

Jana Caracciolo is an associate at GrayRobinson, providing an astute knowledge of food labeling regulation and interpretation and counsel related to food safety-related issues. She provides legal counsel and compliance guidance to farmers, ranchers, producers, processors, distributors, and retailers on compliance issues with the U.S. Food and Drug Administration (FDA), the U.S. Department of Agriculture (USDA), and various state agencies' requirements on food safety, food and beverage labeling and packaging, and product development. Prior to joining GrayRobinson, Jana served as a staff attorney at the National Agricultural Law Center, researching and analyzing food safety and food labeling issues.

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