AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

112TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
112–669

FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

R E P O R T

OF THE

COMMITTEE ON AGRICULTURE

TOGETHER WITH

ADDITIONAL AND DISSENTING VIEWS

[TO ACCOMPANY H.R. 6083]

SEPTEMBER 13, 2012.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

112TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
112–669

FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

SEPTEMBER 13, 2012.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LUCAS, from the Committee on Agriculture, submitted the following

R E P O R T

together with

ADDITIONAL AND DISSENTING VIEWS

[To accompany H.R. 6083]

[Including cost estimate of the Congressional Budget Office]

The Committee on Agriculture, to whom was referred the bill (H.R. 6083) to provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2017, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Agriculture Reform and Risk Management Act of 2012".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary of Agriculture.

TITLE I—COMMODITIES

Subtitle A—Repeals and Reforms

Sec. 1101. Repeal of direct payments.
Sec. 1102. Repeal of counter-cyclical payments.
Sec. 1103. Repeal of average crop revenue election program.
Sec. 1104. Definitions.
Sec. 1105. Base acres.
Sec. 1106. Payment yields.
Sec. 1107. Farm risk management election.
Sec. 1108. Producer agreements.
Sec. 1109. Period of effectiveness.

75–847

Subtitle B—Marketing Loans

Sec. 1201. Availability of nonrecourse marketing assistance loans for loan commodities.
Sec. 1202. Loan rates for nonrecourse marketing assistance loans.
Sec. 1203. Term of loans.
Sec. 1204. Repayment of loans.
Sec. 1205. Loan deficiency payments.
Sec. 1206. Payments in lieu of loan deficiency payments for grazed acreage.
Sec. 1207. Special marketing loan provisions for upland cotton.
Sec. 1208. Special competitive provisions for extra long staple cotton.
Sec. 1209. Availability of recourse loans for high moisture feed grains and seed cotton.
Sec. 1210. Adjustments of loans.

Subtitle C—Sugar

Sec. 1301. Sugar program.

Subtitle D—Dairy

PART I—DAIRY PRODUCER MARGIN PROTECTION AND DAIRY MARKET STABILIZATION PROGRAMS

Sec. 1401. Definitions.
Sec. 1402. Calculation of average feed cost and actual dairy producer margins.

SUBPART A—DAIRY PRODUCER MARGIN PROTECTION PROGRAM

Sec. 1411. Establishment of dairy producer margin protection program.
Sec. 1412. Participation of dairy producers in margin protection program.
Sec. 1413. Production history of participating dairy producers.
Sec. 1414. Basic margin protection.
Sec. 1415. Supplemental margin protection.
Sec. 1416. Effect of failure to pay administrative fees or premiums.

SUBPART B—DAIRY MARKET STABILIZATION PROGRAM

Sec. 1431. Establishment of dairy market stabilization program.
Sec. 1432. Threshold for implementation and reduction in dairy producer payments.
Sec. 1433. Producer milk marketing information.
Sec. 1434. Calculation and collection of reduced dairy producer payments.
Sec. 1435. Remitting monies to the Secretary and use of monies.
Sec. 1436. Suspension of reduced payment requirement.
Sec. 1437. Enforcement.
Sec. 1438. Audit requirements.

SUBPART C—COMMODITY CREDIT CORPORATION

Sec. 1451. Use of Commodity Credit Corporation.

SUBPART D—INITIATION AND DURATION

Sec. 1461. Rulemaking.
Sec. 1462. Duration.

PART II—REPEAL OR REAUTHORIZATION OF OTHER DAIRY-RELATED PROVISIONS

Sec. 1481. Repeal of dairy product price support and milk income loss contract programs.
Sec. 1482. Repeal of dairy export incentive program.
Sec. 1483. Extension of dairy forward pricing program.
Sec. 1484. Extension of dairy indemnity program.
Sec. 1485. Extension of dairy promotion and research program.
Sec. 1486. Repeal of Federal Milk Marketing Order Review Commission.

PART III—EFFECTIVE DATE

Sec. 1491. Effective date.

Subtitle E—Supplemental Agricultural Disaster Assistance Programs

Sec. 1501. Supplemental agricultural disaster assistance.

Subtitle F—Administration

Sec. 1601. Administration generally.
Sec. 1602. Suspension of permanent price support authority.
Sec. 1603. Payment limitations.
Sec. 1604. Adjusted gross income limitation.
Sec. 1605. Geographically disadvantaged farmers and ranchers.
Sec. 1606. Personal liability of producers for deficiencies.
Sec. 1607. Prevention of deceased individuals receiving payments under farm commodity programs.
Sec. 1608. Technical corrections.
Sec. 1609. Assignment of payments.
Sec. 1610. Tracking of benefits.
Sec. 1611. Signature authority.
Sec. 1612. Implementation.

TITLE II—CONSERVATION

Subtitle A—Conservation Reserve Program

Sec. 2001. Extension and enrollment requirements of conservation reserve program.
Sec. 2002. Farmable wetland program.
Sec. 2003. Duties of owners and operators.
Sec. 2004. Duties of the Secretary.
Sec. 2005. Payments.
Sec. 2006. Contract requirements.
Sec. 2007. Conversion of land subject to contract to other conserving uses.
Sec. 2008. Effective date.

Subtitle B—Conservation Stewardship Program

Sec. 2101. Conservation stewardship program.

Subtitle C—Environmental Quality Incentives Program

Sec. 2201. Purposes.
Sec. 2202. Establishment and administration.
Sec. 2203. Evaluation of applications.
Sec. 2204. Duties of producers.
Sec. 2205. Limitation on payments.
Sec. 2206. Conservation innovation grants and payments.
Sec. 2207. Effective date.

Subtitle D—Agricultural Conservation Easement Program

Sec. 2301. Agricultural conservation easement program.

Subtitle E—Regional Conservation Partnership Program

Sec. 2401. Regional conservation partnership program.

Subtitle F—Other Conservation Programs

Sec. 2501. Conservation of private grazing land.
Sec. 2502. Grassroots source water protection program.
Sec. 2503. Voluntary public access and habitat incentive program.
Sec. 2504. Agriculture conservation experienced services program.
Sec. 2505. Small watershed rehabilitation program.
Sec. 2506. Agricultural management assistance program.

Subtitle G—Funding and Administration

Sec. 2601. Funding.
Sec. 2602. Technical assistance.
Sec. 2603. Regional equity.
Sec. 2604. Reservation of funds to provide assistance to certain farmers or ranchers for conservation access.
Sec. 2605. Annual report on program enrollments and assistance.
Sec. 2606. Review of conservation practice standards.
Sec. 2607. Administrative requirements applicable to all conservation programs.
Sec. 2608. Standards for State technical committees.
Sec. 2609. Rulemaking authority.

Subtitle H—Repeal of Superseded Program Authorities and Transitional Provisions; Technical Amendments

Sec. 2701. Comprehensive conservation enhancement program.
Sec. 2702. Emergency forestry conservation reserve program.
Sec. 2703. Wetlands reserve program.
Sec. 2704. Farmland protection program and farm viability program.
Sec. 2705. Grassland reserve program.
Sec. 2706. Agricultural water enhancement program.
Sec. 2707. Wildlife habitat incentive program.
Sec. 2708. Great Lakes basin program.
Sec. 2709. Chesapeake Bay watershed program.
Sec. 2710. Cooperative conservation partnership initiative.
Sec. 2711. Environmental easement program.
Sec. 2712. Technical amendments.

TITLE III—TRADE

Subtitle A—Food for Peace Act

Sec. 3001. General authority.
Sec. 3002. Support for organizations through which assistance is provided.
Sec. 3003. Food aid quality.
Sec. 3004. Minimum levels of assistance.
Sec. 3005. Food Aid Consultative Group.
Sec. 3006. Oversight, monitoring, and evaluation.
Sec. 3007. Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods.
Sec. 3008. General provisions.
Sec. 3009. Prepositioning of agricultural commodities.
Sec. 3010. Annual report regarding food aid programs and activities.
Sec. 3011. Deadline for agreements to finance sales or to provide other assistance.
Sec. 3012. Authorization of appropriations.
Sec. 3013. Micronutrient fortification programs.
Sec. 3014. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program.

Subtitle B—Agricultural Trade Act of 1978

Sec. 3101. Funding for export credit guarantee program.
Sec. 3102. Funding for market access program.
Sec. 3103. Foreign market development cooperator program.

Subtitle C—Other Agricultural Trade Laws

Sec. 3201. Food for Progress Act of 1985.
Sec. 3202. Bill Emerson Humanitarian Trust.
Sec. 3203. Promotion of agricultural exports to emerging markets.
Sec. 3204. McGovern-Dole International Food for Education and Child Nutrition Program.
Sec. 3205. Technical assistance for specialty crops.
Sec. 3206. Global Crop Diversity Trust.
Sec. 3207. Under Secretary of Agriculture for Foreign Agricultural Services.

TITLE IV—NUTRITION

Subtitle A—Supplemental Nutrition Assistance Program

Sec. 4001. Retailers.
Sec. 4002. Enhancing services to elderly and disabled supplemental nutrition assistance program recipients.
Sec. 4003. Food distribution program on Indian reservations.
Sec. 4004. Updating program eligibility.
Sec. 4005. Exclusion of medical marijuana from excess medical expense deduction.
Sec. 4006. Standard utility allowances based on the receipt of energy assistance payments.
Sec. 4007. Eligibility disqualifications.
Sec. 4008. Ending supplemental nutrition assistance program benefits for lottery or gambling winners.
Sec. 4009. Improving security of food assistance.
Sec. 4010. Demonstration projects on acceptance of benefits of mobile transactions.
Sec. 4011. Use of benefits for purchase of community-supported agriculture share.
Sec. 4012. Restaurant meals program.
Sec. 4013. State verification option.
Sec. 4014. Repeal of grant program.
Sec. 4015. Data exchange standardization for improved interoperability.
Sec. 4016. Repeal of bonus program.
Sec. 4017. Funding of employment and training programs.
Sec. 4018. Monitoring employment and training program.
Sec. 4019. Cooperation with program research and evaluation.
Sec. 4020. Authorization of appropriations.
Sec. 4021. Limitation on use of block grant to Puerto Rico.
Sec. 4022. Assistance for community food projects.
Sec. 4023. Emergency food assistance.
Sec. 4024. Nutrition education.
Sec. 4025. Retailer trafficking.
Sec. 4026. Technical and conforming amendments.
Sec. 4027. Tolerance level for excluding small errors.
Sec. 4028. Commonwealth of the Northern Mariana Islands pilot program.
Sec. 4029. Annual State report on verification of SNAP participation.

Subtitle B—Commodity Distribution Programs

Sec. 4101. Commodity distribution program.
Sec. 4102. Commodity supplemental food program.
Sec. 4103. Distribution of surplus commodities to special nutrition projects.
Sec. 4104. Processing of commodities.

Subtitle C—Miscellaneous

Sec. 4201. Farmers' market nutrition program.
Sec. 4202. Nutrition information and awareness pilot program.
Sec. 4203. Fresh fruit and vegetable program.
Sec. 4204. Additional authority for purchase of fresh fruits, vegetables, and other specialty food crops.
Sec. 4205. Encouraging locally and regionally grown and raised food.

TITLE V—CREDIT

Subtitle A—Farm Ownership Loans

Sec. 5001. Eligibility for farm ownership loans.
Sec. 5002. Conservation loan and loan guarantee program.
Sec. 5003. Down payment loan program.
Sec. 5004. Elimination of mineral rights appraisal requirement.

Subtitle B—Operating Loans

Sec. 5101. Eligibility for farm operating loans.
Sec. 5102. Elimination of rural residency requirement for operating loans to youth.
Sec. 5103. Authority to waive personal liability for youth loans due to circumstances beyond borrower control.
Sec. 5104. Microloans.

Subtitle C—Emergency Loans

Sec. 5201. Eligibility for emergency loans.

Subtitle D—Administrative Provisions

Sec. 5301. Beginning farmer and rancher individual development accounts pilot program.
Sec. 5302. Eligible beginning farmers and ranchers.
Sec. 5303. Loan authorization levels.
Sec. 5304. Priority for participation loans.
Sec. 5305. Loan fund set-asides.
Sec. 5306. Conforming amendment to borrower training provision, relating to eligibility changes.

Subtitle E—State Agricultural Mediation Programs

Sec. 5401. State agricultural mediation programs.

Subtitle F—Loans to Purchasers of Highly Fractionated Land

Sec. 5501. Loans to purchasers of highly fractionated land.

TITLE VI—RURAL DEVELOPMENT

Subtitle A—Consolidated Farm and Rural Development Act

Sec. 6001. Water, waste disposal, and wastewater facility grants.
Sec. 6002. Rural business opportunity grants.
Sec. 6003. Elimination of reservation of community facilities grant program funds.
Sec. 6004. Rural water and wastewater circuit rider program.
Sec. 6005. Tribal college and university essential community facilities.

Sec. 6006. Emergency and imminent community water assistance grant program.
Sec. 6007. Grants to nonprofit organizations to finance the construction, refurbishing, and servicing of individually-owned household water well systems in rural areas for individuals with low or moderate incomes.
Sec. 6008. Rural business and industry loan program.
Sec. 6009. Rural cooperative development grants.
Sec. 6010. Locally or regionally produced agricultural food products.
Sec. 6011. Intermediary relending program.
Sec. 6012. Enhancing public/private partnerships to support rural water and waste disposal infrastructure.
Sec. 6013. Simplified applications.
Sec. 6014. Reauthorization of State rural development councils.
Sec. 6015. Grants for NOAA weather radio transmitters.
Sec. 6016. Rural microentrepreneur assistance program.
Sec. 6017. Delta Regional Authority.
Sec. 6018. Northern Great Plains Regional Authority.
Sec. 6019. Rural business investment program.

Subtitle B—Rural Electrification Act of 1936

Sec. 6101. Relending for certain purposes.
Sec. 6102. Fees for certain loan guarantees.
Sec. 6103. Guarantees for bonds and notes issued for electrification or telephone purposes.
Sec. 6104. Expansion of 911 access.
Sec. 6105. Access to broadband telecommunications services in rural areas.

Subtitle C—Miscellaneous

Sec. 6201. Distance learning and telemedicine.
Sec. 6202. Value-added agricultural market development program grants.
Sec. 6203. Agriculture innovation center demonstration program.
Sec. 6204. Program metrics.
Sec. 6205. Study of rural transportation issues.
Sec. 6206. Agricultural transportation policy.
Sec. 6207. Certain Federal actions not to be considered major for purposes of environmental review.

TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS

Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of 1977

Sec. 7101. Option to not be included as Hispanic-serving agricultural college or university.
Sec. 7102. National Agricultural Research, Extension, Education, and Economics Advisory Board.
Sec. 7103. Specialty crop committee.
Sec. 7104. Veterinary services grant program.
Sec. 7105. Grants and fellowships for food and agriculture sciences education.
Sec. 7106. Policy research centers.
Sec. 7107. Repeal of human nutrition intervention and health promotion research program.
Sec. 7108. Repeal of pilot research program to combine medical and agricultural research.
Sec. 7109. Nutrition education program.
Sec. 7110. Continuing animal health and disease research programs.
Sec. 7111. Repeal of appropriations for research on national or regional problems.
Sec. 7112. Grants to upgrade agricultural and food sciences facilities at 1890 land-grant colleges, including Tuskegee University.
Sec. 7113. Grants to upgrade agriculture and food science facilities and equipment at insular area land-grant institutions.
Sec. 7114. Repeal of national research and training virtual centers.
Sec. 7115. Hispanic-serving institutions.
Sec. 7116. Competitive grants for international agricultural science and education programs.
Sec. 7117. Repeal of research equipment grants.
Sec. 7118. University research.
Sec. 7119. Extension service.
Sec. 7120. Auditing, reporting, bookkeeping, and administrative requirements.
Sec. 7121. Supplemental and alternative crops.
Sec. 7122. Capacity building grants for NLGCA institutions.
Sec. 7123. Aquaculture assistance programs.
Sec. 7124. Rangeland research programs.
Sec. 7125. Special authorization for biosecurity planning and response.
Sec. 7126. Distance education and resident instruction grants program for insular area institutions of higher education.
Sec. 7127. Matching funds requirement.

Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990

Sec. 7201. Best utilization of biological applications.
Sec. 7202. Integrated management systems.
Sec. 7203. Sustainable agriculture technology development and transfer program.
Sec. 7204. National training program.
Sec. 7205. National Genetics Resources Program.
Sec. 7206. Repeal of National Agricultural Weather Information System.
Sec. 7207. Repeal of rural electronic commerce extension program.
Sec. 7208. Repeal of agricultural genome initiative.
Sec. 7209. High-priority research and extension initiatives.
Sec. 7210. Repeal of nutrient management research and extension initiative.
Sec. 7211. Organic agriculture research and extension initiative.
Sec. 7212. Repeal of agricultural bioenergy feedstock and energy efficiency research and extension initiative.
Sec. 7213. Farm business management.
Sec. 7214. Regional centers of excellence.
Sec. 7215. Repeal of red meat safety research center.
Sec. 7216. Assistive technology program for farmers with disabilities.
Sec. 7217. National rural information center clearinghouse.

Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998

Sec. 7301. Relevance and merit of agricultural research, extension, and education funded by the Department.
Sec. 7302. Integrated research, education, and extension competitive grants program.

Sec. 7303. Repeal of coordinated program of research, extension, and education to improve viability of small and medium size dairy, livestock, and poultry operations.
Sec. 7304. Repeal of Bovine Johne's disease control program.
Sec. 7305. Grants for youth organizations.
Sec. 7306. Specialty crop research initiative.
Sec. 7307. Food animal residue avoidance database program.
Sec. 7308. Repeal of national swine research center.
Sec. 7309. Office of pest management policy.
Sec. 7310. Repeal of studies of agricultural research, extension, and education.

Subtitle D—Other Laws

Sec. 7401. Critical Agricultural Materials Act.
Sec. 7402. Equity in Educational Land-grant Status Act of 1994.
Sec. 7403. Research Facilities Act.
Sec. 7404. Repeal of carbon cycle research.
Sec. 7405. Competitive, Special, and Facilities Research Grant Act.
Sec. 7406. Renewable Resources Extension Act of 1978.
Sec. 7407. National Aquaculture Act of 1980.
Sec. 7408. Repeal of use of remote sensing data.
Sec. 7409. Repeal of reports under Farm Security and Rural Investment Act of 2002.
Sec. 7410. Beginning farmer and rancher development program.
Sec. 7411. Inclusion of Northern Mariana Islands as a State under McIntire-Stennis Cooperative Forestry Act.

Subtitle E—Food, Conservation, and Energy Act of 2008

PART 1—AGRICULTURAL SECURITY

Sec. 7501. Agricultural biosecurity communication center.
Sec. 7502. Assistance to build local capacity in agricultural biosecurity planning, preparation, and response.
Sec. 7503. Research and development of agricultural countermeasures.
Sec. 7504. Agricultural biosecurity grant program.

PART 2—MISCELLANEOUS

Sec. 7511. Enhanced use lease authority pilot program.
Sec. 7512. Grazinglands research laboratory.
Sec. 7513. Budget submission and funding.
Sec. 7514. Repeal of research and education grants for the study of antibiotic-resistant bacteria.
Sec. 7515. Repeal of farm and ranch stress assistance network.
Sec. 7516. Repeal of seed distribution.
Sec. 7517. Natural products research program.
Sec. 7518. Sun grant program.
Sec. 7519. Repeal of study and report on food deserts.
Sec. 7520. Repeal of agricultural and rural transportation research and education.
Sec. 7521. Conveyance of land comprising Subtropical Horticulture Research Station.
Sec. 7522. Concessions, fees, and voluntary services at National Arboretum.
Sec. 7523. Cotton Disease Research Report.
Sec. 7524. Miscellaneous technical corrections.

TITLE VIII—FORESTRY

Subtitle A—Repeal of Certain Forestry Programs

Sec. 8001. Forest land enhancement program.
Sec. 8002. Watershed forestry assistance program.
Sec. 8003. Expired cooperative national forest products marketing program.
Sec. 8004. Hispanic-serving institution agricultural land national resources leadership program.
Sec. 8005. Tribal watershed forestry assistance program.
Sec. 8006. Separate Forest Service decisionmaking and appeals process.

Subtitle B—Reauthorization of Cooperative Forestry Assistance Act of 1978 Programs

Sec. 8101. Forest Legacy Program.
Sec. 8102. Community forest and open space conservation program.

Subtitle C—Reauthorization of Other Forestry-Related Laws

Sec. 8201. Rural revitalization technologies.
Sec. 8202. Office of International Forestry.
Sec. 8203. Change in funding source for healthy forests reserve program.
Sec. 8204. Stewardship end result contracting project authority.

Subtitle D—National Forest Critical Area Response

Sec. 8301. Definitions.
Sec. 8302. Designation of critical areas.
Sec. 8303. Application of expedited procedures and activities of the Healthy Forests Restoration Act of 2003 to critical areas.
Sec. 8304. Good neighbor authority.

Subtitle E—Miscellaneous Provisions

Sec. 8401. Revision of strategic plan for forest inventory and analysis.
Sec. 8402. Forest Service participation in ACES Program.

TITLE IX—ENERGY

Sec. 9001. Definition of renewable energy system.
Sec. 9002. Biobased markets program.
Sec. 9003. Biorefinery Assistance.
Sec. 9004. Repeal of repowering assistance program and transfer of remaining funds.
Sec. 9005. Bioenergy Program for Advanced Biofuels.
Sec. 9006. Biodiesel Fuel Education Program.
Sec. 9007. Rural Energy for America Program.

Sec. 9008. Biomass Research and Development.
Sec. 9009. Feedstock Flexibility Program for Bioenergy Producers.
Sec. 9010. Biomass Crop Assistance Program.
Sec. 9011. Community wood energy program.
Sec. 9012. Repeal of biofuels infrastructure study.
Sec. 9013. Repeal of renewable fertilizer study.

TITLE X—HORTICULTURE

Sec. 10001. Specialty crops market news allocation.
Sec. 10002. Repeal of grant program to improve movement of specialty crops.
Sec. 10003. Farmers market and local food promotion program.
Sec. 10004. Organic agriculture.
Sec. 10005. Investigations and enforcement of the Organic Foods Production Act of 1990.
Sec. 10006. Food safety education initiatives.
Sec. 10007. Specialty crop block grants.
Sec. 10008. Report on specialty crop production by certain farmers.
Sec. 10009. Report on honey.
Sec. 10010. Bulk shipments of apples to Canada.
Sec. 10011. Inclusion of olive oil in import controls under the Agricultural Adjustment Act.
Sec. 10012. Petitions to determine organism not a plant pest.
Sec. 10013. Consolidation of plant pest and disease management and disaster prevention programs.
Sec. 10014. Authority for regulation of plants.
Sec. 10015. Report to Congress on regulation of biotechnology.
Sec. 10016. Pesticide Registration Improvement.
Sec. 10017. Modification, cancellation, or suspension on basis of a biological opinion.
Sec. 10018. Use and discharges of authorized pesticides.
Sec. 10019. Inclusion of Bed Bugs in Definition of Vector Organisms.
Sec. 10020. Effective date.

TITLE XI—CROP INSURANCE

Sec. 11001. Information sharing.
Sec. 11002. Publication of information on violations of prohibition on premium adjustments.
Sec. 11003. Supplemental coverage option.
Sec. 11004. Premium amounts for catastrophic risk protection.
Sec. 11005. Repeal of performance-based discount.
Sec. 11006. Permanent enterprise unit subsidy.
Sec. 11007. Enterprise units for irrigated and nonirrigated crops.
Sec. 11008. Data collection.
Sec. 11009. Adjustment in actual production history to establish insurable yields.
Sec. 11010. Submission and review of policies.
Sec. 11011. Equitable relief for specialty crop policies.
Sec. 11012. Budget limitations on renegotiation of the standard reinsurance agreement.
Sec. 11013. Crop production on native sod.
Sec. 11014. Coverage levels by practice.
Sec. 11015. Beginning farmer and rancher provisions.
Sec. 11016. Stacked income protection plan for producers of upland cotton.
Sec. 11017. Peanut revenue crop insurance.
Sec. 11018. Authority to correct errors.
Sec. 11019. Implementation.
Sec. 11020. Research and development priorities.
Sec. 11021. Additional research and development contracting requirements.
Sec. 11022. Pilot programs.
Sec. 11023. Limitation on expenditures for livestock pilot programs.
Sec. 11024. Noninsured crop assistance program.
Sec. 11025. Technical amendments.

TITLE XII—MISCELLANEOUS

Subtitle A—Livestock

Sec. 12101. National Sheep Industry Improvement Center.
Sec. 12102. Trichinae certification program.
Sec. 12103. National Aquatic Animal Health Plan.
Sec. 12104. Report on compliance with World Trade Organization decision regarding country of origin labeling.
Sec. 12105. Repeal of certain regulations under the Packers and Stockyards Act, 1921.
Sec. 12106. Meat and poultry processing report.

Subtitle B—Socially Disadvantaged Producers and Limited Resource Producers

Sec. 12201. Outreach and assistance for socially disadvantaged farmers and ranchers and veteran farmers and ranchers.
Sec. 12202. Office of Advocacy and Outreach.

Subtitle C—Other Miscellaneous Provisions

Sec. 12301. Grants to improve supply, stability, safety, and training of agricultural labor force.
Sec. 12302. Evaluation required for purposes of prohibition on closure or relocation of county offices for the Farm Service Agency.
Sec. 12303. Prohibition on attending an animal fight or causing a minor to attend an animal fight.
Sec. 12304. Program benefit eligibility status for participants in high plains water study.
Sec. 12305. Office of Tribal Relations.
Sec. 12306. Military Veterans Agricultural Liaison.
Sec. 12307. Acer access and development program.
Sec. 12308. Prohibition against interference by State and local governments with production or manufacture of items in other States.
Sec. 12309. Increased protection for agricultural interests in the Missouri River basin.

SEC. 2. DEFINITION OF SECRETARY OF AGRICULTURE.

In this Act, the term "Secretary" means the Secretary of Agriculture.

TITLE I—COMMODITIES

Subtitle A—Repeals and Reforms

SEC. 1101. REPEAL OF DIRECT PAYMENTS.

(a) REPEAL.—Sections 1103 and 1303 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8713, 8753) are repealed.

(b) CONTINUED APPLICATION FOR 2012 CROP YEAR.—Sections 1103 and 1303 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8713, 8753), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2012 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) and peanuts on a farm.

SEC. 1102. REPEAL OF COUNTER-CYCLICAL PAYMENTS.

(a) REPEAL.—Sections 1104 and 1304 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8714, 8754) are repealed.

(b) CONTINUED APPLICATION FOR 2012 CROP YEAR.—Sections 1104 and 1304 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8714, 8754), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2012 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) and peanuts on a farm.

SEC. 1103. REPEAL OF AVERAGE CROP REVENUE ELECTION PROGRAM.

(a) REPEAL.—Section 1105 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8715) is repealed.

(b) CONTINUED APPLICATION FOR 2012 CROP YEAR.—Section 1105 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8715), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2012 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) and peanuts on a farm for which the irrevocable election under section 1105 of that Act was made before the date of enactment of this Act.

SEC. 1104. DEFINITIONS.

In this subtitle and subtitle B:

(1) ACTUAL COUNTY REVENUE.—The term "actual county revenue", with respect to a covered commodity for a crop year, means the amount determined by the Secretary under section 1107(c)(4) to determine whether revenue loss coverage payments are required to be provided for that crop year.

(2) BASE ACRES.—The term "base acres", with respect to a covered commodity and cotton on a farm, means the number of acres established under section 1101 and 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911, 7952) or section 1101 and 1302 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711, 8752), as in effect on September 30, 2012, subject to any adjustment under section 1105 of this Act.

(3) COUNTY REVENUE LOSS COVERAGE TRIGGER.—The term "county revenue loss coverage trigger", with respect to a covered commodity for a crop year, means the amount determined by the Secretary under section 1107(c)(5) to determine whether revenue loss coverage payments are required to be provided for that crop year.

(4) COVERED COMMODITY.—The term "covered commodity" means wheat, oats, and barley (including wheat, oats, and barley used for haying and grazing), corn, grain sorghum, long grain rice, medium grain rice, pulse crops, soybeans, other oilseeds, and peanuts.

(5) EFFECTIVE PRICE.—The term "effective price", with respect to a covered commodity for a crop year, means the price calculated by the Secretary under section 1107(b)(2) to determine whether price loss coverage payments are required to be provided for that crop year.

(6) EXTRA LONG STAPLE COTTON.—The term "extra long staple cotton" means cotton that—

(A) is produced from pure strain varieties of the Barbadense species or any hybrid of the species, or other similar types of extra long staple cotton, designated by the Secretary, having characteristics needed for various end uses for which United States upland cotton is not suitable and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of the varieties or types; and

(B) is ginned on a roller-type gin or, if authorized by the Secretary, ginned on another type gin for experimental purposes.

(7) FARM BASE ACRES.—The term "farm base acres" means the sum of the base acreage for all covered commodities and cotton on a farm in effect as of September 30, 2012, and subject to any adjustment under section 1105.

(8) MEDIUM GRAIN RICE.—The term "medium grain rice" includes short grain rice.

(9) MIDSEASON PRICE.—The term "midseason price" means the applicable national average market price received by producers for the first 5 months of the applicable marketing year, as determined by the Secretary.

(10) OTHER OILSEED.—The term "other oilseed" means a crop of sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, or any oilseed designated by the Secretary.

(11) PAYMENT ACRES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) through (D), the term "payment acres", with respect to the provision of price loss coverage payments and revenue loss coverage payments, means—

(i) 85 percent of total acres planted for the year to each covered commodity on a farm; and

(ii) 30 percent of approved total acres prevented from being planted for the year to each covered commodity on a farm.

(B) MAXIMUM.—The total quantity of payment acres determined under subparagraph (A) shall not exceed the farm base acres.

(C) REDUCTION.—If the sum of all payment acres for a farm exceeds the limits established under subparagraph (B), the Secretary shall reduce the payment acres applicable to each crop proportionately.

(D) EXCLUSION.—The term "payment acres" does not include any crop subsequently planted during the same crop year on the same land for which the first crop is eligible for payments under this subtitle, unless the crop was approved for double cropping in the county, as determined by the Secretary.

(12) PAYMENT YIELD.—The term "payment yield" means the yield established for counter-cyclical payments under section 1102 or 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912, 7952), section 1102 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8712), as in effect on September 30, 2012, or under section 1106 of this Act, for a farm for a covered commodity.

(13) PRICE LOSS COVERAGE.—The term "price loss coverage" means coverage provided under section 1107(b).

(14) PRODUCER.—

(A) IN GENERAL.—The term "producer" means an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced.

(B) HYBRID SEED.—In determining whether a grower of hybrid seed is a producer, the Secretary shall—

(i) not take into consideration the existence of a hybrid seed contract; and

(ii) ensure that program requirements do not adversely affect the ability of the grower to receive a payment under this title.

(15) PULSE CROP.—The term "pulse crop" means dry peas, lentils, small chickpeas, and large chickpeas.

(16) REFERENCE PRICE.—The term "reference price", with respect to a covered commodity for a crop year, means the following:

(A) Wheat, $5.50 per bushel.
(B) Corn, $3.70 per bushel.
(C) Grain sorghum, $3.95 per bushel.
(D) Barley, $4.95 per bushel.
(E) Oats, $2.40 per bushel.
(F) Long grain rice, $14.00 per hundredweight.
(G) Medium grain rice, $14.00 per hundredweight.
(H) Soybeans, $8.40 per bushel.
(I) Other oilseeds, $20.15 per hundredweight.
(J) Peanuts $535.00 per ton.
(K) Dry peas, $11.00 per hundredweight.
(L) Lentils, $19.97 per hundredweight.
(M) Small chickpeas, $19.04 per hundredweight.
(N) Large chickpeas, $21.54 per hundredweight.

(17) REVENUE LOSS COVERAGE.—The term "revenue loss coverage" means coverage provided under section 1107(c).

(18) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(19) STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

(20) TRANSITIONAL YIELD.—The term "transitional yield" has the meaning given the term in section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)).

(21) UNITED STATES.—The term "United States", when used in a geographical sense, means all of the States.

(22) UNITED STATES PREMIUM FACTOR.—The term "United States Premium Factor" means the percentage by which the difference in the United States loan schedule premiums for Strict Middling (SM) 1⅛-inch upland cotton and for Middling (M) 1³⁄₃₂-inch upland cotton exceeds the difference in the applicable premiums for comparable international qualities.

SEC. 1105. BASE ACRES.

(a) ADJUSTMENT OF BASE ACRES.—

(1) IN GENERAL.—The Secretary shall provide for an adjustment, as appropriate, in the base acres for covered commodities and cotton for a farm whenever any of the following circumstances occurs:

(A) A conservation reserve contract entered into under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) with respect to the farm expires or is voluntarily terminated.

(B) Cropland is released from coverage under a conservation reserve contract by the Secretary.

(C) The producer has eligible oilseed acreage as the result of the Secretary designating additional oilseeds, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(1)(D) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711(a)(1)(D)).

(2) SPECIAL CONSERVATION RESERVE ACREAGE PAYMENT RULES.—For the crop year in which a base acres adjustment under subparagraph (A) or (B) of paragraph (1) is first made, the owner of the farm shall elect to receive price loss coverage or revenue loss coverage with respect to the acreage added to the farm under this subsection or a prorated payment under the conservation reserve contract, but not both.

(b) PREVENTION OF EXCESS BASE ACRES.—

(1) REQUIRED REDUCTION.—If the sum of the base acres for a farm, together with the acreage described in paragraph (2) exceeds the actual cropland acreage of the farm, the Secretary shall reduce the base acres for 1 or more covered commodities or cotton for the farm so that the sum of the base acres and acreage described in paragraph (2) does not exceed the actual cropland acreage of the farm.

(2) OTHER ACREAGE.—For purposes of paragraph (1), the Secretary shall include the following:

(A) Any acreage on the farm enrolled in the conservation reserve program or wetlands reserve program (or successor programs) under chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.).

(B) Any other acreage on the farm enrolled in a Federal conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

(C) If the Secretary designates additional oilseeds, any eligible oilseed acreage, which shall be determined in the same manner as eligible oilseed acreage under subsection (a)(1)(C).

(3) SELECTION OF ACRES.—The Secretary shall give the owner of the farm the opportunity to select the base acres for a covered commodity or cotton for the farm against which the reduction required by paragraph (1) will be made.

(4) EXCEPTION FOR DOUBLE-CROPPED ACREAGE.—In applying paragraph (1), the Secretary shall make an exception in the case of double cropping, as determined by the Secretary.

(c) REDUCTION IN BASE ACRES.—

(1) REDUCTION AT OPTION OF OWNER.—

(A) IN GENERAL.—The owner of a farm may reduce, at any time, the base acres for any covered commodity or cotton for the farm.

(B) EFFECT OF REDUCTION.—A reduction under subparagraph (A) shall be permanent and made in a manner prescribed by the Secretary.

(2) REQUIRED ACTION BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall proportionately reduce base acres on a farm for covered commodities and cotton for land that has been subdivided and developed for multiple residential units or other nonfarming uses if the size of the tracts and the density of the subdivision is such that the land is unlikely to return to the previous agricultural use, unless the producers on the farm demonstrate that the land—

(i) remains devoted to commercial agricultural production; or

(ii) is likely to be returned to the previous agricultural use.

(B) REQUIREMENT.—The Secretary shall establish procedures to identify land described in subparagraph (A).

SEC. 1106. PAYMENT YIELDS.

(a) ESTABLISHMENT AND PURPOSE.—For the purpose of making payments under this subtitle, the Secretary shall provide for the establishment of a yield for each farm for any designated oilseed for which a payment yield was not established under section 1102 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8712) in accordance with this section.

(b) PAYMENT YIELDS FOR DESIGNATED OILSEEDS.—

(1) DETERMINATION OF AVERAGE YIELD.—In the case of designated oilseeds, the Secretary shall determine the average yield per planted acre for the designated oilseed on a farm for the 1998 through 2001 crop years, excluding any crop year in which the acreage planted to the designated oilseed was zero.

(2) ADJUSTMENT FOR PAYMENT YIELD.—

(A) IN GENERAL.—The payment yield for a farm for a designated oilseed shall be equal to the product of the following:

(i) The average yield for the designated oilseed determined under paragraph (1).

(ii) The ratio resulting from dividing the national average yield for the designated oilseed for the 1981 through 1985 crops by the national average yield for the designated oilseed for the 1998 through 2001 crops.

(B) NO NATIONAL AVERAGE YIELD INFORMATION AVAILABLE.—To the extent that national average yield information for a designated oilseed is not available, the Secretary shall use such information as the Secretary determines to be fair and equitable to establish a national average yield under this section.

(3) USE OF COUNTY AVERAGE YIELD.—If the yield per planted acre for a crop of a designated oilseed for a farm for any of the 1998 through 2001 crop years was less than 75 percent of the county yield for that designated oilseed, the Secretary shall assign a yield for that crop year equal to 75 percent of the county yield for the purpose of determining the average under paragraph (1).

(4) NO HISTORIC YIELD DATA AVAILABLE.—In the case of establishing yields for designated oilseeds, if historic yield data is not available, the Secretary shall use the ratio for dry peas calculated under paragraph (2)(A)(ii) in determining the yields for designated oilseeds, as determined to be fair and equitable by the Secretary.

(c) EFFECT OF LACK OF PAYMENT YIELD.—

(1) ESTABLISHMENT BY SECRETARY.—If no payment yield is otherwise established for a farm for which a covered commodity is planted and eligible to receive price loss coverage payments, the Secretary shall establish an appropriate payment yield for the covered commodity on the farm under paragraph (2).

(2) USE OF SIMILARLY SITUATED FARMS.—Notwithstanding any other provision of law, to establish an appropriate payment yield for a covered commodity on a farm as required by paragraph (1), the Secretary shall take into consideration the farm program payment yields applicable to that covered commodity for similarly situated farms.

(d) SINGLE OPPORTUNITY TO UPDATE YIELDS USED TO DETERMINE PRICE LOSS COVERAGE PAYMENTS.—

(1) ELECTION TO UPDATE.—At the sole discretion of the owner of a farm, the owner of a farm shall have a 1-time opportunity to update the payment yields on a covered commodity-by-covered commodity basis that would otherwise be used in calculating any price loss coverage payment for covered commodities on the farm.

(2) TIME FOR ELECTION.—The election under paragraph (1) shall be made at a time and manner to be in effect for the 2013 crop year as determined by the Secretary.

(3) METHOD OF UPDATING YIELDS.—If the owner of a farm elects to update yields under this subsection, the payment yield for a covered commodity on the farm, for the purpose of calculating price loss coverage payments only, shall be

equal to 90 percent of the average of the yield per planted acre for the crop of the covered commodity on the farm for the 2008 through 2012 crop years, as determined by the Secretary, excluding any crop year in which the acreage planted to the crop of the covered commodity was zero.

(4) USE OF COUNTY AVERAGE YIELD.—If the yield per planted acre for a crop of the covered commodity for a farm for any of the 2008 through 2012 crop years was less than 75 percent of the average of the 2008 through 2012 county yield for that commodity, the Secretary shall assign a yield for that crop year equal to 75 percent of the average of the 2008 through 2012 county yield for the purposes of determining the average yield under paragraph (3).

(5) EFFECT OF LACK OF PAYMENT YIELD.—

(A) ESTABLISHMENT BY SECRETARY.—For purposes of this subsection, if no payment yield is otherwise established for a covered commodity on a farm, the Secretary shall establish an appropriate updated payment yield for the covered commodity on the farm under subparagraph (B).

(B) USE OF SIMILARLY SITUATED FARMS.—Notwithstanding any other provision of law, to establish an appropriate updated payment yield for a covered commodity on a farm as required by subparagraph (A), the Secretary shall take into consideration the farm program payment yields applicable to that covered commodity for similarly situated farms, but before the yields for the similarly situated farms are updated as provided in this subsection.

SEC. 1107. FARM RISK MANAGEMENT ELECTION.

(a) IN GENERAL.—

(1) PAYMENTS REQUIRED.—Except as provided in paragraph (2), if the Secretary determines that payments are required under subsection (b)(1) or (c)(2) for a covered commodity, the Secretary shall make payments for that covered commodity available under such subsection to producers on a farm pursuant to the terms and conditions of this section.

(2) PROHIBITION ON PAYMENTS; EXCEPTIONS.—Notwithstanding any other provision of this title, a producer on a farm may not receive price loss coverage payments or revenue loss coverage payments if the sum of the planted acres of covered commodities on the farm is 10 acres or less, as determined by the Secretary, unless the producer is—

(A) a socially disadvantaged farmer or rancher (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))); or

(B) a limited resource farmer or rancher, as defined by the Secretary.

(b) PRICE LOSS COVERAGE.—

(1) PAYMENTS.—For each of the 2013 through 2017 crop years, the Secretary shall make price loss coverage payments to producers on a farm for a covered commodity if the Secretary determines that—

(A) the effective price for the covered commodity for the crop year; is less than

(B) the reference price for the covered commodity for the crop year.

(2) EFFECTIVE PRICE.—The effective price for a covered commodity for a crop year shall be the higher of—

(A) the midseason price; or

(B) the national average loan rate for a marketing assistance loan for the covered commodity in effect for crop years 2013 through 2017 under subtitle B.

(3) PAYMENT RATE.—The payment rate shall be equal to the difference between—

(A) the reference price for the covered commodity; and

(B) the effective price determined under paragraph (2) for the covered commodity.

(4) PAYMENT AMOUNT.—If price loss coverage payments are required to be provided under this subsection for any of the 2013 through 2017 crop years for a covered commodity, the amount of the price loss coverage payment to be paid to the producers on a farm for the crop year shall be equal to the product obtained by multiplying—

(A) the payment rate for the covered commodity under paragraph (3);

(B) the payment yield for the covered commodity; and

(C) the payment acres for the covered commodity.

(5) TIME FOR PAYMENTS.—If the Secretary determines under this subsection that price loss coverage payments are required to be provided for the covered commodity, the payments shall be made beginning October 1, or as soon as

practicable thereafter, after the end of the applicable marketing year for the covered commodity.

(6) SPECIAL RULE.—In determining the effective price for barley in paragraph (2), the Secretary shall use the all-barley price.

(c) REVENUE LOSS COVERAGE.—

(1) AVAILABLE AS AN ALTERNATIVE.—As an alternative to receiving price loss coverage payments under subsection (b) for a covered commodity, all of the owners of the farm may make a one-time, irrevocable election on a covered commodity-by-covered commodity basis to receive revenue loss coverage payments for each covered commodity in accordance with this subsection. If any of the owners of the farm make different elections on the same covered commodity on the farm, all of the owners of the farm shall be deemed to have not made the election available under this paragraph.

(2) PAYMENTS.—In the case of owners of a farm that make the election described in paragraph (1) for a covered commodity, the Secretary shall make revenue loss coverage payments available under this subsection for each of the 2013 through 2017 crop years if the Secretary determines that—

(A) the actual county revenue for the crop year for the covered commodity; is less than

(B) the county revenue loss coverage trigger for the crop year for the covered commodity.

(3) TIME FOR PAYMENTS.—If the Secretary determines under this subsection that revenue loss coverage payments are required to be provided for the covered commodity, payments shall be made beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity.

(4) ACTUAL COUNTY REVENUE.—The amount of the actual county revenue for a crop year of a covered commodity shall be equal to the product obtained by multiplying—

(A) the actual county yield, as determined by the Secretary, for each planted acre for the crop year for the covered commodity; and

(B) the higher of—

(i) the midseason price; or

(ii) the national average loan rate for a marketing assistance loan for the covered commodity in effect for crop years 2013 through 2017 under subtitle B.

(5) COUNTY REVENUE LOSS COVERAGE TRIGGER.—

(A) IN GENERAL.—The county revenue loss coverage trigger for a crop year for a covered commodity on a farm shall equal 85 percent of the benchmark county revenue.

(B) BENCHMARK COUNTY REVENUE.—

(i) IN GENERAL.—The benchmark county revenue shall be the product obtained by multiplying—

(I) subject to clause (ii), the average historical county yield as determined by the Secretary for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields; and

(II) subject to clause (iii), the average national marketing year average price for the most recent 5 crop years, excluding each of the crop years with the highest and lowest prices.

(ii) YIELD CONDITIONS.—If the historical county yield in clause (i)(I) for any of the 5 most recent crop years, as determined by the Secretary, is less than 70 percent of the transitional yield, as determined by the Secretary, the amounts used for any of those years in clause (i)(I) shall be 70 percent of the transitional yield.

(iii) REFERENCE PRICE.—If the national marketing year average price in clause (i)(II) for any of the 5 most recent crop years is lower than the reference price for the covered commodity, the Secretary shall use the reference price for any of those years for the amounts in clause (i)(II).

(6) PAYMENT RATE.—The payment rate shall be equal to the lesser of—

(A) the difference between—

(i) the county revenue loss coverage trigger for the covered commodity; and

(ii) the actual county revenue for the crop year for the covered commodity; or

(B) 10 percent of the benchmark county revenue for the crop year for the covered commodity.

(7) PAYMENT AMOUNT.—If revenue loss coverage payments under this subsection are required to be provided for any of the 2013 through 2017 crop years

of a covered commodity, the amount of the revenue loss coverage payment to be provided to the producers on a farm for the crop year shall be equal to the product obtained by multiplying—

(A) the payment rate under paragraph (6); and

(B) the payment acres of the covered commodity on the farm.

(8) DUTIES OF THE SECRETARY.—In providing revenue loss coverage payments under this subsection, the Secretary—

(A) shall ensure that producers on a farm do not reconstitute the farm of the producers to void or change the election made under paragraph (1);

(B) to the maximum extent practicable, shall use all available information and analysis, including data mining, to check for anomalies in the provision of revenue loss coverage payments;

(C) to the maximum extent practicable, shall calculate a separate county revenue loss coverage trigger for irrigated and nonirrigated covered commodities and a separate actual county revenue for irrigated and nonirrigated covered commodities;

(D) shall assign a benchmark county yield for each planted acre for the crop year for the covered commodity on the basis of the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary, if—

(i) the Secretary cannot establish the benchmark county yield for each planted acre for a crop year for a covered commodity in the county in accordance with paragraph (5); or

(ii) the yield determined under paragraph (5) is an unrepresentative average yield for the county (as determined by the Secretary); and

(E) to the maximum extent practicable, shall ensure that in order to be eligible for a payment under this subsection, the producers on the farm suffered an actual loss on the covered commodity for the crop year for which payment is sought.

SEC. 1108. PRODUCER AGREEMENTS.

(a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

(1) REQUIREMENTS.—Before the producers on a farm may receive price loss coverage payments or revenue loss coverage payments with respect to the farm, the producers shall agree, during the crop year for which the payments are made and in exchange for the payments—

(A) to comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

(B) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.); and

(C) to effectively control noxious weeds and otherwise maintain the land in accordance with sound agricultural practices, as determined by the Secretary.

(2) COMPLIANCE.—The Secretary may issue such rules as the Secretary considers necessary to ensure producer compliance with the requirements of paragraph (1).

(3) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of this subsection if the modifications are consistent with the objectives of this subsection, as determined by the Secretary.

(b) TRANSFER OR CHANGE OF INTEREST IN FARM.—

(1) TERMINATION.—

(A) IN GENERAL.—Except as provided in paragraph (2), a transfer of (or change in) the interest of the producers on a farm for which price loss coverage payments or revenue loss coverage payments are provided shall result in the termination of the price loss coverage and revenue loss coverage, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

(B) EFFECTIVE DATE.—The termination shall take effect on the date determined by the Secretary.

(2) EXCEPTION.—If a producer entitled to a price loss coverage payment or revenue loss coverage payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment in accordance with rules issued by the Secretary.

(c) ACREAGE REPORTS.—As a condition on the receipt of any benefits under this subtitle or subtitle B, the Secretary shall require producers on a farm to submit to the Secretary annual acreage reports with respect to all cropland on the farm.

(d) TENANTS AND SHARECROPPERS.—In carrying out this subtitle, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(e) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of price loss coverage payments and revenue loss coverage payments among the producers on a farm on a fair and equitable basis.

SEC. 1109. PERIOD OF EFFECTIVENESS.

This subtitle shall be effective beginning with the 2013 crop year of each covered commodity through the 2017 crop year.

Subtitle B—Marketing Loans

SEC. 1201. AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR LOAN COMMODITIES.

(a) DEFINITION OF LOAN COMMODITY.—In this subtitle, the term "loan commodity" means wheat, corn, grain sorghum, barley, oats, upland cotton, extra long staple cotton, long grain rice, medium grain rice, peanuts, soybeans, other oilseeds, graded wool, nongraded wool, mohair, honey, dry peas, lentils, small chickpeas, and large chickpeas.

(b) NONRECOURSE LOANS AVAILABLE.—

(1) IN GENERAL.—For each of the 2013 through 2017 crops of each loan commodity, the Secretary shall make available to producers on a farm nonrecourse marketing assistance loans for loan commodities produced on the farm.

(2) TERMS AND CONDITIONS.—The marketing assistance loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under section 1202 for the loan commodity.

(c) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under subsection (b) for any quantity of a loan commodity produced on the farm.

(d) COMPLIANCE WITH CONSERVATION AND WETLANDS REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (b), the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.) during the term of the loan.

(e) SPECIAL RULES FOR PEANUTS.—

(1) IN GENERAL.—This subsection shall apply only to producers of peanuts.

(2) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this section, and loan deficiency payments under section 1205, may be obtained at the option of the producers on a farm through—

(A) a designated marketing association or marketing cooperative of producers that is approved by the Secretary; or

(B) the Farm Service Agency.

(3) STORAGE OF LOAN PEANUTS.—As a condition on the approval by the Secretary of an individual or entity to provide storage for peanuts for which a marketing assistance loan is made under this section, the individual or entity shall agree—

(A) to provide the storage on a nondiscriminatory basis; and

(B) to comply with such additional requirements as the Secretary considers appropriate to accomplish the purposes of this section and promote fairness in the administration of the benefits of this section.

(4) STORAGE, HANDLING, AND ASSOCIATED COSTS.—

(A) IN GENERAL.—To ensure proper storage of peanuts for which a loan is made under this section, the Secretary shall pay handling and other associated costs (other than storage costs) incurred at the time at which the peanuts are placed under loan, as determined by the Secretary.

(B) REDEMPTION AND FORFEITURE.—The Secretary shall—

(i) require the repayment of handling and other associated costs paid under subparagraph (A) for all peanuts pledged as collateral for a loan that is redeemed under this section; and

(ii) pay storage, handling, and other associated costs for all peanuts pledged as collateral that are forfeited under this section.

(5) MARKETING.—A marketing association or cooperative may market peanuts for which a loan is made under this section in any manner that conforms to consumer needs, including the separation of peanuts by type and quality.

(6) REIMBURSABLE AGREEMENTS AND PAYMENT OF ADMINISTRATIVE EXPENSES.—The Secretary may implement any reimbursable agreements or provide for the payment of administrative expenses under this subsection only in a manner that is consistent with those activities in regard to other loan commodities.

SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.

(a) IN GENERAL.—For purposes of each of the 2013 through 2017 crop years, the loan rate for a marketing assistance loan under section 1201 for a loan commodity shall be equal to the following:

(1) In the case of wheat, $2.94 per bushel.

(2) In the case of corn, $1.95 per bushel.

(3) In the case of grain sorghum, $1.95 per bushel.

(4) In the case of barley, $1.95 per bushel.

(5) In the case of oats, $1.39 per bushel.

(6) In the case of base quality of upland cotton, for the 2013 and each subsequent crop year, the simple average of the adjusted prevailing world price for the 2 immediately preceding marketing years, as determined by the Secretary and announced October 1 preceding the next domestic plantings, but in no case less than $0.47 per pound or more than $0.52 per pound.

(7) In the case of extra long staple cotton, $0.7977 per pound.

(8) In the case of long grain rice, $6.50 per hundredweight.

(9) In the case of medium grain rice, $6.50 per hundredweight.

(10) In the case of soybeans, $5.00 per bushel.

(11) In the case of other oilseeds, $10.09 per hundredweight for each of the following kinds of oilseeds:

(A) Sunflower seed.

(B) Rapeseed.

(C) Canola.

(D) Safflower.

(E) Flaxseed.

(F) Mustard seed.

(G) Crambe.

(H) Sesame seed.

(I) Other oilseeds designated by the Secretary.

(12) In the case of dry peas, $5.40 per hundredweight.

(13) In the case of lentils, $11.28 per hundredweight.

(14) In the case of small chickpeas, $7.43 per hundredweight.

(15) In the case of large chickpeas, $11.28 per hundredweight.

(16) In the case of graded wool, $1.15 per pound.

(17) In the case of nongraded wool, $0.40 per pound.

(18) In the case of mohair, $4.20 per pound.

(19) In the case of honey, $0.69 per pound.

(20) In the case of peanuts, $355 per ton.

(b) SINGLE COUNTY LOAN RATE FOR OTHER OILSEEDS.—The Secretary shall establish a single loan rate in each county for each kind of other oilseeds described in subsection (a)(11).

SEC. 1203. TERM OF LOANS.

(a) TERM OF LOAN.—In the case of each loan commodity, a marketing assistance loan under section 1201 shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

(b) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for any loan commodity.

SEC. 1204. REPAYMENT OF LOANS.

(a) GENERAL RULE.—The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 1201 for a loan commodity (other than upland cotton, long grain rice, medium grain rice, extra long staple cotton, peanuts and confectionery and each other kind of sunflower seed (other than oil sunflower seed)) at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283));

(2) a rate (as determined by the Secretary) that—

(A) is calculated based on average market prices for the loan commodity during the preceding 30-day period; and

(B) will minimize discrepancies in marketing loan benefits across State boundaries and across county boundaries; or

(3) a rate that the Secretary may develop using alternative methods for calculating a repayment rate for a loan commodity that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of the commodity by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing the commodity;

(D) allow the commodity produced in the United States to be marketed freely and competitively, both domestically and internationally; and

(E) minimize discrepancies in marketing loan benefits across State boundaries and across county boundaries.

(b) REPAYMENT RATES FOR UPLAND COTTON, LONG GRAIN RICE, AND MEDIUM GRAIN RICE.—The Secretary shall permit producers to repay a marketing assistance loan under section 1201 for upland cotton, long grain rice, and medium grain rice at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) the prevailing world market price for the commodity, as determined and adjusted by the Secretary in accordance with this section.

(c) REPAYMENT RATES FOR EXTRA LONG STAPLE COTTON.—Repayment of a marketing assistance loan for extra long staple cotton shall be at the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)).

(d) PREVAILING WORLD MARKET PRICE.—For purposes of this section and section 1207, the Secretary shall prescribe by regulation—

(1) a formula to determine the prevailing world market price for each of upland cotton, long grain rice, and medium grain rice; and

(2) a mechanism by which the Secretary shall announce periodically those prevailing world market prices.

(e) ADJUSTMENT OF PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON, LONG GRAIN RICE, AND MEDIUM GRAIN RICE.—

(1) RICE.—The prevailing world market price for long grain rice and medium grain rice determined under subsection (d) shall be adjusted to United States quality and location.

(2) COTTON.—The prevailing world market price for upland cotton determined under subsection (d)—

(A) shall be adjusted to United States quality and location, with the adjustment to include—

(i) a reduction equal to any United States Premium Factor for upland cotton of a quality higher than Middling (M) 1 3/32-inch; and

(ii) the average costs to market the commodity, including average transportation costs, as determined by the Secretary; and

(B) may be further adjusted, during the period beginning on the date of enactment of this Act and ending on July 31, 2018, if the Secretary determines the adjustment is necessary—

(i) to minimize potential loan forfeitures;

(ii) to minimize the accumulation of stocks of upland cotton by the Federal Government;

(iii) to ensure that upland cotton produced in the United States can be marketed freely and competitively, both domestically and internationally; and

(iv) to ensure an appropriate transition between current-crop and forward-crop price quotations, except that the Secretary may use forward-crop price quotations prior to July 31 of a marketing year only if—

(I) there are insufficient current-crop price quotations; and

(II) the forward-crop price quotation is the lowest such quotation available.

(3) GUIDELINES FOR ADDITIONAL ADJUSTMENTS.—In making adjustments under this subsection, the Secretary shall establish a mechanism for determining and announcing the adjustments in order to avoid undue disruption in the United States market.

(f) REPAYMENT RATES FOR CONFECTIONERY AND OTHER KINDS OF SUNFLOWER SEEDS.—The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 1201 for confectionery and each other kind of sunflower seed (other than oil sunflower seed) at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) the repayment rate established for oil sunflower seed.

(g) PAYMENT OF COTTON STORAGE COSTS.—Effective for each of the 2013 through 2017 crop years, the Secretary shall make cotton storage payments available in the

same manner, and at the same rates as the Secretary provided storage payments for the 2006 crop of cotton, except that the rates shall be reduced by 10 percent.

(h) REPAYMENT RATE FOR PEANUTS.—The Secretary shall permit producers on a farm to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

(1) the loan rate established for peanuts under subsection (b), plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of peanuts by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing peanuts; and

(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

(i) AUTHORITY TO TEMPORARILY ADJUST REPAYMENT RATES.—

(1) ADJUSTMENT AUTHORITY.—In the event of a severe disruption to marketing, transportation, or related infrastructure, the Secretary may modify the repayment rate otherwise applicable under this section for marketing assistance loans under section 1201 for a loan commodity.

(2) DURATION.—Any adjustment made under paragraph (1) in the repayment rate for marketing assistance loans for a loan commodity shall be in effect on a short-term and temporary basis, as determined by the Secretary.

SEC. 1205. LOAN DEFICIENCY PAYMENTS.

(a) AVAILABILITY OF LOAN DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—Except as provided in subsection (d), the Secretary may make loan deficiency payments available to producers on a farm that, although eligible to obtain a marketing assistance loan under section 1201 with respect to a loan commodity, agree to forgo obtaining the loan for the commodity in return for loan deficiency payments under this section.

(2) UNSHORN PELTS, HAY, AND SILAGE.—

(A) MARKETING ASSISTANCE LOANS.—Subject to subparagraph (B), nongraded wool in the form of unshorn pelts and hay and silage derived from a loan commodity are not eligible for a marketing assistance loan under section 1201.

(B) LOAN DEFICIENCY PAYMENT.—Effective for the 2013 through 2017 crop years, the Secretary may make loan deficiency payments available under this section to producers on a farm that produce unshorn pelts or hay and silage derived from a loan commodity.

(b) COMPUTATION.—A loan deficiency payment for a loan commodity or commodity referred to in subsection (a)(2) shall be equal to the product obtained by multiplying—

(1) the payment rate determined under subsection (c) for the commodity; by

(2) the quantity of the commodity produced by the eligible producers, excluding any quantity for which the producers obtain a marketing assistance loan under section 1201.

(c) PAYMENT RATE.—

(1) IN GENERAL.—In the case of a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for the loan commodity; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 1204.

(2) UNSHORN PELTS.—In the case of unshorn pelts, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for ungraded wool; exceeds

(B) the rate at which a marketing assistance loan for ungraded wool may be repaid under section 1204.

(3) HAY AND SILAGE.—In the case of hay or silage derived from a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for the loan commodity from which the hay or silage is derived; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 1204.

(d) EXCEPTION FOR EXTRA LONG STAPLE COTTON.—This section shall not apply with respect to extra long staple cotton.

(e) EFFECTIVE DATE FOR PAYMENT RATE DETERMINATION.—The Secretary shall determine the amount of the loan deficiency payment to be made under this section to the producers on a farm with respect to a quantity of a loan commodity or commodity referred to in subsection (a)(2) using the payment rate in effect under subsection (c) as of the date the producers request the payment.

SEC. 1206. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.

(a) ELIGIBLE PRODUCERS.—

(1) IN GENERAL.—Effective for the 2013 through 2017 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 1205 for wheat, barley, or oats, but that elects to use acreage planted to the wheat, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of the wheat, barley, or oats on that acreage.

(2) GRAZING OF TRITICALE ACREAGE.—Effective for the 2013 through 2017 crop years, with respect to a producer on a farm that uses acreage planted to triticale for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of triticale on that acreage.

(b) PAYMENT AMOUNT.—

(1) IN GENERAL.—The amount of a payment made under this section to a producer on a farm described in subsection (a)(1) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 1205(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of wheat, barley, or oats; and

(ii)(I) the payment yield in effect for the calculation of price loss coverage under subtitle A with respect to that loan commodity on the farm; or

(II) in the case of a farm without a payment yield for that loan commodity, an appropriate yield established by the Secretary in a manner consistent with section 1106(c) of this Act.

(2) GRAZING OF TRITICALE ACREAGE.—The amount of a payment made under this section to a producer on a farm described in subsection (a)(2) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 1205(c) in effect for wheat, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of triticale; and

(ii)(I) the payment yield in effect for the calculation of price loss coverage under subtitle A with respect to wheat on the farm; or

(II) in the case of a farm without a payment yield for wheat, an appropriate yield established by the Secretary in a manner consistent with section 1106(c) of this Act.

(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

(1) TIME AND MANNER.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 1205.

(2) AVAILABILITY.—

(A) IN GENERAL.—The Secretary shall establish an availability period for the payments authorized by this section.

(B) CERTAIN COMMODITIES.—In the case of wheat, barley, and oats, the availability period shall be consistent with the availability period for the commodity established by the Secretary for marketing assistance loans authorized by this subtitle.

(d) PROHIBITION ON CROP INSURANCE INDEMNITY OR NONINSURED CROP ASSISTANCE.—A 2013 through 2017 crop of wheat, barley, oats, or triticale planted on acreage that a producer elects, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for an indemnity under a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under

section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

SEC. 1207. SPECIAL MARKETING LOAN PROVISIONS FOR UPLAND COTTON.

(a) SPECIAL IMPORT QUOTA.—

(1) DEFINITION OF SPECIAL IMPORT QUOTA.—In this subsection, the term "special import quota" means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

(2) ESTABLISHMENT.—

(A) IN GENERAL.—The President shall carry out an import quota program during the period beginning on August 1, 2013, and ending on July 31, 2018, as provided in this subsection.

(B) PROGRAM REQUIREMENTS.—Whenever the Secretary determines and announces that for any consecutive 4-week period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 3/32-inch cotton, delivered to a definable and significant international market, as determined by the Secretary, exceeds the prevailing world market price, there shall immediately be in effect a special import quota.

(3) QUANTITY.—The quota shall be equal to the consumption during a 1-week period of cotton by domestic mills at the seasonally adjusted average rate of the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary.

(4) APPLICATION.—The quota shall apply to upland cotton purchased not later than 90 days after the date of the Secretary's announcement under paragraph (2) and entered into the United States not later than 180 days after that date.

(5) OVERLAP.—A special quota period may be established that overlaps any existing quota period if required by paragraph (2), except that a special quota period may not be established under this subsection if a quota period has been established under subsection (b).

(6) PREFERENTIAL TARIFF TREATMENT.—The quantity under a special import quota shall be considered to be an in-quota quantity for purposes of—

(A) section 213(d) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(d));

(B) section 204 of the Andean Trade Preference Act (19 U.S.C. 3203);

(C) section 503(d) of the Trade Act of 1974 (19 U.S.C. 2463(d)); and

(D) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

(7) LIMITATION.—The quantity of cotton entered into the United States during any marketing year under the special import quota established under this subsection may not exceed the equivalent of 10 week's consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the 3 months immediately preceding the first special import quota established in any marketing year.

(b) LIMITED GLOBAL IMPORT QUOTA FOR UPLAND COTTON.—

(1) DEFINITIONS.—In this subsection:

(A) DEMAND.—The term "demand" means—

(i) the average seasonally adjusted annual rate of domestic mill consumption of cotton during the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary; and

(ii) the larger of—

(I) average exports of upland cotton during the preceding 6 marketing years; or

(II) cumulative exports of upland cotton plus outstanding export sales for the marketing year in which the quota is established.

(B) LIMITED GLOBAL IMPORT QUOTA.—The term "limited global import quota" means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

(C) SUPPLY.—The term "supply" means, using the latest official data of the Department of Agriculture—

(i) the carry-over of upland cotton at the beginning of the marketing year (adjusted to 480-pound bales) in which the quota is established;

(ii) production of the current crop; and

(iii) imports to the latest date available during the marketing year.

(2) PROGRAM.—The President shall carry out an import quota program that provides that whenever the Secretary determines and announces that the average price of the base quality of upland cotton, as determined by the Secretary, in the designated spot markets for a month exceeded 130 percent of the average price of the quality of cotton in the markets for the preceding 36 months, not-

withstanding any other provision of law, there shall immediately be in effect a limited global import quota subject to the following conditions:

(A) QUANTITY.—The quantity of the quota shall be equal to 21 days of domestic mill consumption of upland cotton at the seasonally adjusted average rate of the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary.

(B) QUANTITY IF PRIOR QUOTA.—If a quota has been established under this subsection during the preceding 12 months, the quantity of the quota next established under this subsection shall be the smaller of 21 days of domestic mill consumption calculated under subparagraph (A) or the quantity required to increase the supply to 130 percent of the demand.

(C) PREFERENTIAL TARIFF TREATMENT.—The quantity under a limited global import quota shall be considered to be an in-quota quantity for purposes of—

(i) section 213(d) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(d));

(ii) section 204 of the Andean Trade Preference Act (19 U.S.C. 3203);

(iii) section 503(d) of the Trade Act of 1974 (19 U.S.C. 2463(d)); and

(iv) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

(D) QUOTA ENTRY PERIOD.—When a quota is established under this subsection, cotton may be entered under the quota during the 90-day period beginning on the date the quota is established by the Secretary.

(3) NO OVERLAP.—Notwithstanding paragraph (2), a quota period may not be established that overlaps an existing quota period or a special quota period established under subsection (a).

(c) ECONOMIC ADJUSTMENT ASSISTANCE TO USERS OF UPLAND COTTON.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall, on a monthly basis, make economic adjustment assistance available to domestic users of upland cotton in the form of payments for all documented use of that upland cotton during the previous monthly period regardless of the origin of the upland cotton.

(2) VALUE OF ASSISTANCE.—Effective beginning on August 1, 2012, the value of the assistance provided under paragraph (1) shall be 3 cents per pound.

(3) ALLOWABLE PURPOSES.—Economic adjustment assistance under this subsection shall be made available only to domestic users of upland cotton that certify that the assistance shall be used only to acquire, construct, install, modernize, develop, convert, or expand land, plant, buildings, equipment, facilities, or machinery.

(4) REVIEW OR AUDIT.—The Secretary may conduct such review or audit of the records of a domestic user under this subsection as the Secretary determines necessary to carry out this subsection.

(5) IMPROPER USE OF ASSISTANCE.—If the Secretary determines, after a review or audit of the records of the domestic user, that economic adjustment assistance under this subsection was not used for the purposes specified in paragraph (3), the domestic user shall be—

(A) liable for the repayment of the assistance to the Secretary, plus interest, as determined by the Secretary; and

(B) ineligible to receive assistance under this subsection for a period of 1 year following the determination of the Secretary.

SEC. 1208. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.

(a) COMPETITIVENESS PROGRAM.—Notwithstanding any other provision of law, during the period beginning on the date of enactment of this Act through July 31, 2018, the Secretary shall carry out a program—

(1) to maintain and expand the domestic use of extra long staple cotton produced in the United States;

(2) to increase exports of extra long staple cotton produced in the United States; and

(3) to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Under the program, the Secretary shall make payments available under this section whenever—

(1) for a consecutive 4-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

(c) ELIGIBLE RECIPIENTS.—The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States that enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

(d) PAYMENT AMOUNT.—Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive 4-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive 4-week period.

SEC. 1209. AVAILABILITY OF RECOURSE LOANS FOR HIGH MOISTURE FEED GRAINS AND SEED COTTON.

(a) HIGH MOISTURE FEED GRAINS.—

(1) DEFINITION OF HIGH MOISTURE STATE.—In this subsection, the term "high moisture state" means corn or grain sorghum having a moisture content in excess of Commodity Credit Corporation standards for marketing assistance loans made by the Secretary under section 1201.

(2) RECOURSE LOANS AVAILABLE.—For each of the 2013 through 2017 crops of corn and grain sorghum, the Secretary shall make available recourse loans, as determined by the Secretary, to producers on a farm that—

(A) normally harvest all or a portion of their crop of corn or grain sorghum in a high moisture state;

(B) present—

(i) certified scale tickets from an inspected, certified commercial scale, including a licensed warehouse, feedlot, feed mill, distillery, or other similar entity approved by the Secretary, pursuant to regulations issued by the Secretary; or

(ii) field or other physical measurements of the standing or stored crop in regions of the United States, as determined by the Secretary, that do not have certified commercial scales from which certified scale tickets may be obtained within reasonable proximity of harvest operation;

(C) certify that the producers on the farm were the owners of the feed grain at the time of delivery to, and that the quantity to be placed under loan under this subsection was in fact harvested on the farm and delivered to, a feedlot, feed mill, or commercial or on-farm high-moisture storage facility, or to a facility maintained by the users of corn and grain sorghum in a high moisture state; and

(D) comply with deadlines established by the Secretary for harvesting the corn or grain sorghum and submit applications for loans under this subsection within deadlines established by the Secretary.

(3) ELIGIBILITY OF ACQUIRED FEED GRAINS.—A loan under this subsection shall be made on a quantity of corn or grain sorghum of the same crop acquired by the producer equivalent to a quantity determined by multiplying—

(A) the acreage of the corn or grain sorghum in a high moisture state harvested on the farm of the producer; by

(B) the lower of the farm program payment yield used to make payments under subtitle A or the actual yield on a field, as determined by the Secretary, that is similar to the field from which the corn or grain sorghum was obtained.

(b) RECOURSE LOANS AVAILABLE FOR SEED COTTON.—For each of the 2013 through 2017 crops of upland cotton and extra long staple cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, on any production.

(c) REPAYMENT RATES.—Repayment of a recourse loan made under this section shall be at the loan rate established for the commodity by the Secretary, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)).

SEC. 1210. ADJUSTMENTS OF LOANS.

(a) ADJUSTMENT AUTHORITY.—Subject to subsection (e), the Secretary may make appropriate adjustments in the loan rates for any loan commodity (other than cotton) for differences in grade, type, quality, location, and other factors.

(b) MANNER OF ADJUSTMENT.—The adjustments under subsection (a) shall, to the maximum extent practicable, be made in such a manner that the average loan level

for the commodity will, on the basis of the anticipated incidence of the factors, be equal to the level of support determined in accordance with this subtitle and subtitle C.

(c) ADJUSTMENT ON COUNTY BASIS.—

(1) IN GENERAL.—The Secretary may establish loan rates for a crop for producers in individual counties in a manner that results in the lowest loan rate being 95 percent of the national average loan rate, if those loan rates do not result in an increase in outlays.

(2) PROHIBITION.—Adjustments under this subsection shall not result in an increase in the national average loan rate for any year.

(d) ADJUSTMENT IN LOAN RATE FOR COTTON.—

(1) IN GENERAL.—The Secretary may make appropriate adjustments in the loan rate for cotton for differences in quality factors.

(2) TYPES OF ADJUSTMENTS.—Loan rate adjustments under paragraph (1) may include—

(A) the use of non-spot market price data, in addition to spot market price data, that would enhance the accuracy of the price information used in determining quality adjustments under this subsection;

(B) adjustments in the premiums or discounts associated with upland cotton with a staple length of 33 or above due to micronaire with the goal of eliminating any unnecessary artificial splits in the calculations of the premiums or discounts; and

(C) such other adjustments as the Secretary determines appropriate, after consultations conducted in accordance with paragraph (3).

(3) CONSULTATION WITH PRIVATE SECTOR.—

(A) PRIOR TO REVISION.—In making adjustments to the loan rate for cotton (including any review of the adjustments) as provided in this subsection, the Secretary shall consult with representatives of the United States cotton industry.

(B) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultations under this subsection.

(4) REVIEW OF ADJUSTMENTS.—The Secretary may review the operation of the upland cotton quality adjustments implemented pursuant to this subsection and may make further adjustments to the administration of the loan program for upland cotton, by revoking or revising any adjustment taken under paragraph (2).

(e) RICE.—The Secretary shall not make adjustments in the loan rates for long grain rice and medium grain rice, except for differences in grade and quality (including milling yields).

Subtitle C—Sugar

SEC. 1301. SUGAR PROGRAM.

(a) CONTINUATION OF CURRENT PROGRAM AND LOAN RATES.—

(1) SUGARCANE.—Section 156(a)(5) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(a)(5)) is amended by striking "the 2012 crop year" and inserting "each of the 2012 through 2017 crop years".

(2) SUGAR BEETS.—Section 156(b)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(b)(2)) is amended by striking "2012" and inserting "2017".

(3) EFFECTIVE PERIOD.—Section 156(i) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(i)) is amended by striking "2012" and inserting "2017".

(b) FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.—

(1) SUGAR ESTIMATES.—Section 359b(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended by striking "2012" and inserting "2017".

(2) EFFECTIVE PERIOD.—Section 359l(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a)) is amended by striking "2012" and inserting "2017".

Subtitle D—Dairy

PART I—DAIRY PRODUCER MARGIN PROTECTION AND DAIRY MARKET STABILIZATION PROGRAMS

SEC. 1401. DEFINITIONS.

In this part:

(1) ACTUAL DAIRY PRODUCER MARGIN.—The term "actual dairy producer margin" means the difference between the all-milk price and the average feed cost, as calculated under section 1402.

(2) ALL-MILK PRICE.—The term "all-milk price" means the average price received, per hundredweight of milk, by dairy producers for all milk sold to plants and dealers in the United States, as determined by the Secretary.

(3) ANNUAL PRODUCTION HISTORY.—The term "annual production history" means the production history determined for a participating dairy producer under section 1413(b) whenever the dairy producer purchases supplemental margin protection.

(4) AVERAGE FEED COST.—The term "average feed cost" means the average cost of feed used by a dairy operation to produce a hundredweight of milk, determined under section 1402 using the sum of the following:

(A) The product determined by multiplying 1.0728 by the price of corn per bushel.

(B) The product determined by multiplying 0.00735 by the price of soybean meal per ton.

(C) The product determined by multiplying 0.0137 by the price of alfalfa hay per ton.

(5) BASIC PRODUCTION HISTORY.—The term "basic production history" means the production history determined for a participating dairy producer under section 1413(a) for provision of basic margin protection.

(6) CONSECUTIVE TWO-MONTH PERIOD.—The term "consecutive two-month period" refers to the two-month period consisting of the months of January and February, March and April, May and June, July and August, September and October, or November and December, respectively.

(7) DAIRY PRODUCER.—

(A) IN GENERAL.—Subject to subparagraph (B), the term "dairy producer" means an individual or entity that directly or indirectly (as determined by the Secretary)—

(i) shares in the risk of producing milk; and

(ii) makes contributions (including land, labor, management, equipment, or capital) to the dairy operation of the individual or entity that are at least commensurate with the share of the individual or entity of the proceeds of the operation.

(B) ADDITIONAL OWNERSHIP STRUCTURES.—The Secretary shall determine additional ownership structures to be covered by the definition of dairy producer.

(8) HANDLER.—

(A) IN GENERAL.—The term "handler" means the initial individual or entity making payment to a dairy producer for milk produced in the United States and marketed for commercial use.

(B) PRODUCER-HANDLER.—The term includes a "producer-handler" when the producer satisfies the definition in subparagraph (A).

(9) MARGIN PROTECTION PROGRAM.—The term "margin protection program" means the dairy producer margin protection program required by subpart A.

(10) PARTICIPATING DAIRY PRODUCER.—The term "participating dairy producer" means a dairy producer that—

(A) signs up under section 1412 to participate in the margin protection program under subpart A; and

(B) as a result, also participates in the stabilization program under subpart B.

(11) STABILIZATION PROGRAM.—The term "stabilization program" means the dairy market stabilization program required by subpart B for all participating dairy producers.

(12) STABILIZATION PROGRAM BASE.—The term "stabilization program base", with respect to a participating dairy producer, means the stabilization program base calculated for the producer under section 1431(b).

(13) UNITED STATES.—The term "United States", in a geographical sense, means the 50 States, the District of Columbia, American Samoa, Guam, the

Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, and any other territory or possession of the United States.

SEC. 1402. CALCULATION OF AVERAGE FEED COST AND ACTUAL DAIRY PRODUCER MARGINS.

(a) CALCULATION OF AVERAGE FEED COST.—The Secretary shall calculate the national average feed cost for each month using the following data:

(1) The price of corn for a month shall be the price received during that month by farmers in the United States for corn, as reported in the monthly Agricultural Prices report by the Secretary.

(2) The price of soybean meal for a month shall be the central Illinois price for soybean meal, as reported in the Market News-Monthly Soybean Meal Price Report by the Secretary.

(3) The price of alfalfa hay for a month shall be the price received during that month by farmers in the United States for alfalfa hay, as reported in the monthly Agricultural Prices report by the Secretary.

(b) CALCULATION OF ACTUAL DAIRY PRODUCER MARGINS.—

(1) MARGIN PROTECTION PROGRAM.—For use in the margin protection program under subpart A, the Secretary shall calculate the actual dairy producer margin for each consecutive two-month period by subtracting—

(A) the average feed cost for that consecutive two-month period, determined in accordance with subsection (a); from

(B) the all-milk price for that consecutive two-month period.

(2) STABILIZATION PROGRAM.—For use in the stabilization program under subpart B, the Secretary shall calculate each month the actual dairy producer margin for the preceding month by subtracting—

(A) the average feed cost for that preceding month, determined in accordance with subsection (a); from

(B) the all-milk price for that preceding month.

(3) TIME FOR CALCULATIONS.—The calculations required by paragraphs (1) and (2) shall be made as soon as practicable each month using the full month price of the applicable reference month, but in no case shall the calculation be made later than the last business day of the month.

Subpart A—Dairy Producer Margin Protection Program

SEC. 1411. ESTABLISHMENT OF DAIRY PRODUCER MARGIN PROTECTION PROGRAM.

The Secretary shall establish and administer a dairy producer margin protection program for the purpose of protecting dairy producer income by paying participating dairy producers—

(1) basic margin protection payments when actual dairy producer margins are less than the threshold levels for such payments; and

(2) supplemental margin protection payments if purchased by a participating dairy producer.

SEC. 1412. PARTICIPATION OF DAIRY PRODUCERS IN MARGIN PROTECTION PROGRAM.

(a) ELIGIBILITY.—All dairy producers in the United States are eligible to participate in the margin protection program, except that a dairy producer must sign up with the Secretary before the producer may receive—

(1) basic margin protection payments under section 1414; and

(2) if the dairy producer purchases supplemental margin protection under section 1415, supplemental margin protection payments under such section.

(b) SIGN-UP PROCESS.—

(1) IN GENERAL.—The Secretary shall allow all interested dairy producers to sign up to participate in the margin protection program. The Secretary shall specify the manner and form by which a dairy producer must sign up to participate in the margin protection program.

(2) TREATMENT OF MULTI-PRODUCER OPERATIONS.—If a dairy operation consists of more than one dairy producer, all of the dairy producers of the operation shall be treated as a single dairy producer for purposes of—

(A) registration to receive basic margin protection and purchase supplemental margin protection;

(B) payment of the administrative fee under subsection (e) and producer premiums under section 1415; and

(C) participation in the stabilization program under subpart B.

(3) TREATMENT OF PRODUCERS WITH MULTIPLE DAIRY OPERATIONS.—If a dairy producer operates two or more dairy operations, each dairy operation of the producer shall require a separate registration to receive basic margin protection

and purchase supplemental margin protection. Only those dairy operations so registered shall be subject to the stabilization program.

(c) TIME FOR SIGN UP.—

(1) EXISTING DAIRY PRODUCERS.—During the one-year period beginning on the date of the initiation of the sign-up period for the margin protection program, a dairy producer that is actively engaged in a dairy operation as of such date may sign up with the Secretary—

(A) to receive basic margin protection; and

(B) if the producer elects, to purchase supplemental margin protection.

(2) NEW ENTRANTS.—A dairy producer that has no existing interest in a dairy operation as of the date of the initiation of the sign-up period for the margin protection program, but that, after such date, establishes a new dairy operation, may sign up with the Secretary during the one year period beginning on the date on which the dairy operation first markets milk commercially—

(A) to receive basic margin protection; and

(B) if the producer elects, to purchase supplemental margin protection.

(d) RETROACTIVITY PROVISION.—

(1) NOTICE OF AVAILABILITY OF RETROACTIVE PROTECTION.—Not later than 30 days after the effective date of this subtitle, the Secretary shall publish a notice in the Federal Register to inform dairy producers of the availability of retroactive basic margin protection and retroactive supplemental margin protection, subject to the condition that interested producers must file a notice of intent (in such form and manner as the Secretary specifies in the Federal Register notice)—

(A) to participate in the margin protection program and receive basic margin protection; and

(B) at the election of the producer under paragraph (3), to also obtain supplemental margin protection.

(2) RETROACTIVE BASIC MARGIN PROTECTION.—

(A) AVAILABILITY.—If a dairy producer files a notice of intent under paragraph (1) to participate in the margin protection program before the initiation of the sign-up period for the margin protection program and subsequently signs up for the margin protection program, the producer shall receive basic margin protection retroactive to the effective date of this subtitle.

(B) DURATION.—Retroactive basic margin protection under this paragraph for a dairy producer shall apply from the effective date of this subtitle until the date on which the producer signs up for the margin protection program.

(3) RETROACTIVE SUPPLEMENTAL MARGIN PROTECTION.—

(A) AVAILABILITY.—Subject to subparagraphs (B) and (C), if a dairy producer files a notice of intent under paragraph (1) to participate in the margin protection program and obtain supplemental margin protection and subsequently signs up for the margin protection program, the producer shall receive supplemental margin protection, in addition to the basic margin protection under paragraph (2), retroactive to the effective date of this subtitle.

(B) DEADLINE FOR SUBMISSION.—A notice of intent to obtain retroactive supplemental margin protection must be filed with the Secretary no later than the earlier of the following:

(i) 150 days after the date on which the Secretary publishes the notice in the Federal Register required by paragraph (1).

(ii) The date on which the Secretary initiates the sign up period for the margin protection program.

(C) ELECTION OF COVERAGE LEVEL AND PERCENTAGE OF COVERAGE.—To be sufficient to obtain retroactive supplemental margin protection, the notice of intent to participate filed by a dairy producer must specify—

(i) a selected coverage level that is higher, in any increment of $0.50, than the payment threshold for basic margin protection specified in section 1414(b), but not to exceed $6.00; and

(ii) the percentage of coverage, subject to limits imposed in section 1415(c).

(D) DURATION.—The coverage level and percentage specified in the notice of intent to participate filed by a dairy producer shall apply from the effective date of this subtitle until the later of the following:

(i) October 1, 2013.

(ii) The date on which the Secretary initiates the sign-up period for the margin protection program.

(4) NOTICE OF INTENT AND OBLIGATION TO PARTICIPATE IN MARGIN PROTECTION PROGRAM.—In no way does filing a notice of intent under this subsection obli-

gate a dairy producer to sign up for the margin protection program once the program rules are final, but if a producer does file a notice of intent and subsequently signs up for the margin protection program, that dairy producer is obligated to pay fees and premiums for any retroactive basic margin protection or retroactive supplemental margin protection selected in the notice of intent.

(e) ADMINISTRATIVE FEE.—

(1) ADMINISTRATIVE FEE REQUIRED.—A dairy producer shall pay an administrative fee under this subsection to sign up to participate in the margin protection program. The participating dairy producer shall pay the administrative fee annually thereafter to continue to participate in the margin protection program.

(2) FEE AMOUNT.—The administrative fee for a participating dairy producer for a calendar year is based on the pounds of milk (in millions) marketed by the dairy producer in the previous calendar year, as follows:

Pounds Marketed (in millions)	Admin. Fee
less than 1	$100
1 to 10	$250
more than 10 to 40	$500
more than 40	$1000

(3) DEPOSIT OF FEES.—All administrative fees collected under this subsection shall be credited to the fund or account used to cover the costs incurred to administer the margin protection program and the stabilization program and shall be available to the Secretary, without further appropriation and until expended, for use or transfer as provided in paragraph (4).

(4) USE OF FEES.—The Secretary shall use administrative fees collected under this subsection—

(A) to cover administrative costs of the margin protection program and stabilization program; and

(B) to the extent funds remain available after operation of subparagraphs (A), to cover costs of the Department of Agriculture relating to reporting of dairy market news and to carry out section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b).

(f) RECONSTITUTION.—The Secretary shall prohibit a dairy producer from reconstituting a dairy operation for the sole purpose of the dairy producer—

(1) receiving basic margin protection;

(2) purchasing supplemental margin protection; or

(3) avoiding participation in the stabilization program.

(g) PRIORITY CONSIDERATION.—A dairy operation that participates in the margin protection program shall be eligible to participate in the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) only after operations that are not participating in the production margin protection program are enrolled.

SEC. 1413. PRODUCTION HISTORY OF PARTICIPATING DAIRY PRODUCERS.

(a) PRODUCTION HISTORY FOR BASIC MARGIN PROTECTION.—

(1) DETERMINATION REQUIRED.—For purposes of providing basic margin protection, the Secretary shall determine the basic production history of the dairy operation of each participating dairy producer in the margin protection program.

(2) CALCULATION.—Except as provided in paragraph (3), the basic production history of a participating dairy producer for basic margin protection is equal to the highest annual milk marketings of the dairy producer during any one of the three calendar years immediately preceding the calendar year in which the dairy producer first signed up to participate in the margin protection program.

(3) ELECTION BY NEW PRODUCERS.—If a participating dairy producer has been in operation for less than a year, the dairy producer shall elect one of the following methods for the Secretary to determine the basic production history of the dairy producer:

(A) The volume of the actual milk marketings for the months the dairy producer has been in operation extrapolated to a yearly amount.

(B) An estimate of the actual milk marketings of the dairy producer based on the herd size of the producer relative to the national rolling herd average data published by the Secretary.

(4) NO CHANGE IN PRODUCTION HISTORY FOR BASIC MARGIN PROTECTION.—Once the basic production history of a participating dairy producer is determined under paragraph (2) or (3), the basic production history shall not be sub-

sequently changed for purposes of determining the amount of any basic margin protection payments for the dairy producer made under section 1414.

(b) ANNUAL PRODUCTION HISTORY FOR SUPPLEMENTAL MARGIN PROTECTION.—

(1) DETERMINATION REQUIRED.—For purposes of providing supplemental margin protection for a participating dairy producer that purchases supplemental margin protection for a year under section 1415, the Secretary shall determine the annual production history of the dairy operation of the dairy producer under paragraph (2).

(2) CALCULATION.—The annual production history of a participating dairy producer for a year is equal to the actual milk marketings of the dairy producer during the preceding calendar year.

(3) NEW PRODUCERS.—Subsection (a)(3) shall apply with respect to determining the annual production history of a participating dairy producer that has been in operation for less than a year.

(c) REQUIRED INFORMATION.—A participating dairy producer shall provide all information that the Secretary may require in order to establish—

(1) the basic production history of the dairy operation of the dairy producer under subsection (a); and

(2) the production history of the dairy operation of the dairy producer whenever the producer purchases supplemental margin protection under section 1415.

(d) TRANSFER OF PRODUCTION HISTORIES.—

(1) TRANSFER BY SALE OR LEASE.—In promulgating the rules to initiate the margin protection program, the Secretary shall specify the conditions under which and the manner by which the production history of a dairy operation may be transferred by sale or lease.

(2) COVERAGE LEVEL.—

(A) BASIC MARGIN PROTECTION.—A purchaser or lessee to whom the Secretary transfers a basic production history under this subsection shall not obtain a different level of basic margin protection than the basic margin protection coverage held by the seller or lessor from whom the transfer was obtained.

(B) SUPPLEMENTAL MARGIN PROTECTION.—A purchaser or lessee to whom the Secretary transfers an annual production history under this subsection shall not obtain a different level of supplemental margin protection coverage than the supplemental margin protection coverage in effect for the seller or lessor from whom the transfer was obtained for the calendar year in which the transfer was made.

(e) MOVEMENT AND TRANSFER OF PRODUCTION HISTORY.—

(1) MOVEMENT AND TRANSFER AUTHORIZED.—Subject to paragraph (2), if a dairy producer moves from one location to another location, the dairy producer may maintain the basic production history and annual production history associated with the operation.

(2) NOTIFICATION REQUIREMENT.—A dairy producer shall notify the Secretary of any move of a dairy operation under paragraph (1).

(3) SUBSEQUENT OCCUPATION OF VACATED LOCATION.—A party subsequently occupying a dairy operation location vacated as described in paragraph (1) shall have no interest in the basic production history or annual production history previously associated with the operation at such location.

SEC. 1414. BASIC MARGIN PROTECTION.

(a) ELIGIBILITY.—All participating dairy producers are eligible to receive basic margin protection under the margin protection program.

(b) PAYMENT THRESHOLD.—Participating dairy producers shall receive a basic margin protection payment whenever the average actual dairy producer margin for a consecutive two-month period is less than $4.00 per hundredweight of milk.

(c) BASIC MARGIN PROTECTION PAYMENT.—

(1) PAYMENT REQUIRED.—The Secretary shall make a basic margin protection payment to each participating dairy producer whenever such a payment is required by subsection (b).

(2) AMOUNT OF PAYMENT.—The basic margin protection payment for the dairy operation of a participating dairy producer for a consecutive two-month period shall be determined as follows:

(A) The Secretary shall calculate the difference between the average actual dairy producer margin for the consecutive two-month period and $4.00, except that, if the difference is more than $4.00, the Secretary shall use $4.00.

(B) The Secretary shall multiply the amount under subparagraph (A) by the lesser of the following:

(i) 80 percent of the production history of the dairy producer, divided by six.

(ii) The actual amount of milk marketed by the dairy operation of the dairy producer during the consecutive two-month period.

SEC. 1415. SUPPLEMENTAL MARGIN PROTECTION.

(a) ELECTION OF SUPPLEMENTAL MARGIN PROTECTION.—Supplemental margin protection is available only on an annual basis. A participating dairy producer may annually purchase supplemental margin protection to protect, during the calendar year for which purchased, a higher level of the income of a participating dairy producer than the income level guaranteed by basic margin protection under section 1414.

(b) SELECTION OF PAYMENT THRESHOLD.—A participating dairy producer purchasing supplemental margin protection for a year shall elect a coverage level that is higher, in any increment of $0.50, than the payment threshold for basic margin protection specified in section 1414(b), but not to exceed $8.00.

(c) SELECTION OF COVERAGE PERCENTAGE.—A participating dairy producer purchasing supplemental margin protection for a year shall elect a percentage of coverage equal to not more than 90 percent, nor less than 25 percent, of the annual production history of the dairy operation of the participating dairy producer.

(d) PRODUCER PREMIUMS FOR SUPPLEMENTAL MARGIN PROTECTION.—

(1) PREMIUMS REQUIRED.—A participating dairy producer that purchases supplemental margin protection shall pay an annual premium equal to the product obtained by multiplying—

(A) the percentage selected by the dairy producer under subsection (c);

(B) the annual production history of the dairy producer; and

(C) the premium per hundredweight of milk, as specified in the applicable table under paragraph (2) or (3).

(2) PREMIUM PER HUNDREDWEIGHT FOR FIRST 4 MILLION POUNDS OF PRODUCTION.—For the first 4,000,000 pounds of milk marketings included in the annual production history of a participating dairy producer, the premium per hundredweight corresponding to each coverage level specified in the following table is as follows:

Coverage Level	Premium per Cwt.
$4.50	$0.01
$5.00	$0.025
$5.50	$0.04
$6.00	$0.065
$6.50	$0.09
$7.00	$0.434
$7.50	$0.590
$8.00	$0.922

(3) PREMIUM PER HUNDREDWEIGHT FOR PRODUCTION IN EXCESS OF 4 MILLION POUNDS.—For milk marketings in excess of 4,000,000 pounds included in the annual production history of a participating dairy producer, the premium per hundredweight corresponding to each coverage level is as follows:

Coverage Level	Premium per Cwt.
$4.50	$0.015
$5.00	$0.036
$5.50	$0.081
$6.00	$0.155
$6.50	$0.230
$7.00	$0.434
$7.50	$0.590
$8.00	$0.922

(4) TIME FOR PAYMENT.—In promulgating the rules to initiate the margin protection program, the Secretary shall provide more than one method by which a participating dairy producer that purchases supplemental margin protection for a calendar year may pay the premium under this subsection for that year that maximizes producer payment flexibility and program integrity.

(e) PRODUCER'S PREMIUM OBLIGATIONS.—

(1) PRO-RATION OF PREMIUM FOR NEW PRODUCERS.—A dairy producer described in section 1412(c)(2) that purchases supplemental margin protection for a calendar year after the start of the calendar year shall pay a pro-rated premium for that calendar year based on the portion of the calendar year for which the producer purchases the coverage.

(2) LEGAL OBLIGATION.—A participating dairy producer that purchases supplemental margin protection for a calendar year shall be legally obligated to pay the applicable premium for that calendar year, except that, if the dairy producer retires, the producer may request that Secretary cancel the supplemental margin protection if the producer has terminated the dairy operation entirely and certifies under oath that the producer will not be actively engaged in any dairy operation for at least the next seven years.

(f) SUPPLEMENTAL PAYMENT THRESHOLD.—A participating dairy producer with supplemental margin protection shall receive a supplemental margin protection payment whenever the average actual dairy producer margin for a consecutive two-month period is less than the coverage level threshold selected by the dairy producer under subsection (b).

(g) SUPPLEMENTAL MARGIN PROTECTION PAYMENTS.—

(1) IN GENERAL.—The supplemental margin protection payment for a participating dairy producer is in addition to the basic margin protection payment.

(2) AMOUNT OF PAYMENT.—The supplemental margin protection payment for the dairy operation of a participating dairy producer shall be determined as follows:

(A) The Secretary shall calculate the difference between the coverage level threshold selected by the dairy producer under subsection (b) and the greater of—

(i) the average actual dairy producer margin for the consecutive two-month period; or

(ii) $4.00.

(B) The amount determined under subparagraph (A) shall be multiplied by the percentage selected by the participating dairy producer under subsection (c) and by the lesser of the following:

(i) The annual production history of the dairy operation of the dairy producer, divided by six.

(ii) The actual amount of milk marketed by the dairy operation of the dairy producer during the consecutive two-month period.

SEC. 1416. EFFECT OF FAILURE TO PAY ADMINISTRATIVE FEES OR PREMIUMS.

(a) LOSS OF BENEFITS.—A participating dairy producer that fails to pay the required administrative fee under section 1412 or is in arrears on premium payments for supplemental margin protection under section 1415—

(1) remains legally obligated to pay the administrative fee or premiums, as the case may be; and

(2) may not receive basic margin protection payments or supplemental margin protection payments until the fees or premiums are fully paid.

(b) ENFORCEMENT.—The Secretary may take such action as necessary to collect administrative fees and premium payments for supplemental margin protection.

Subpart B—Dairy Market Stabilization Program

SEC. 1431. ESTABLISHMENT OF DAIRY MARKET STABILIZATION PROGRAM.

(a) PROGRAM REQUIRED; PURPOSE.—The Secretary shall establish and administer a dairy market stabilization program applicable to participating dairy producers for the purpose of assisting in balancing the supply of milk with demand when dairy producers are experiencing low or negative operating margins.

(b) ELECTION OF STABILIZATION PROGRAM BASE CALCULATION METHOD.—

(1) ELECTION.—When a dairy producer signs up under section 1412 to participate in the margin protection program, the dairy producer shall inform the Secretary of the method by which the stabilization program base for the dairy producer for fiscal year 2013 will be calculated under paragraph (3).

(2) CHANGE IN CALCULATION METHOD.—A participating dairy producer may change the stabilization program base calculation method to be used for a calendar year by notifying the Secretary of the change not later than a date determined by the Secretary.

(3) CALCULATION METHODS.—A participating dairy producer may elect either of the following methods for calculation of the stabilization program base for the producer:

(A) The volume of the average monthly milk marketings of the dairy producer for the three months immediately preceding the announcement by the Secretary that the stabilization program will become effective.

(B) The volume of the monthly milk marketings of the dairy producer for the same month in the preceding year as the month for which the Secretary has announced the stabilization program will become effective.

SEC. 1432. THRESHOLD FOR IMPLEMENTATION AND REDUCTION IN DAIRY PRODUCER PAYMENTS.

(a) WHEN STABILIZATION PROGRAM REQUIRED.—Except as provided in subsection (b), the Secretary shall announce that the stabilization program is in effect and order reduced payments for any participating dairy producer that exceeds the applicable percentage of the producer's stabilization program base whenever—

(1) the actual dairy producer margin has been $6.00 or less per hundredweight of milk for each of the immediately preceding two months; or

(2) the actual dairy producer margin has been $4.00 or less per hundredweight of milk for the immediately preceding month.

(b) EXCEPTION.—The Secretary shall not make the announcement under subsection (a) to implement the stabilization program or order reduced payments if any of the conditions described in section 1436(b) have been met during the two months immediately preceding the month in which the announcement under subsection (a) would otherwise be made by the Secretary in the absence of this exception.

(c) EFFECTIVE DATE FOR IMPLEMENTATION OF PAYMENT REDUCTIONS.—Reductions in dairy producer payments shall commence beginning on the first day of the month immediately following the date of the announcement by the Secretary under subsection (a).

SEC. 1433. PRODUCER MILK MARKETING INFORMATION.

(a) COLLECTION OF MILK MARKETING DATA.—The Secretary shall establish, by regulation, a process to collect from participating dairy producers and handlers such information that the Secretary considers necessary for each month during which the stabilization program is in effect.

(b) REDUCE REGULATORY BURDEN.—When implementing the process under subsection (a), the Secretary shall minimize the regulatory burden on dairy producers and handlers.

SEC. 1434. CALCULATION AND COLLECTION OF REDUCED DAIRY PRODUCER PAYMENTS.

(a) REDUCED PRODUCER PAYMENTS REQUIRED.—During any month in which payment reductions are in effect under the stabilization program, each handler shall reduce payments to each participating dairy producer from whom the handler receives milk.

(b) REDUCTIONS BASED ON ACTUAL DAIRY PRODUCER MARGIN.—

(1) REDUCTION REQUIREMENT 1.—Unless the reduction required by paragraph (2) or (3) applies, when the actual dairy producer margin has been $6.00 or less per hundredweight of milk for two consecutive months, the handler shall make payments to a participating dairy producer for a month based on the greater of the following:

(A) 98 percent of the stabilization program base of the dairy producer.

(B) 94 percent of the marketings of milk for the month by the producer.

(2) REDUCTION REQUIREMENT 2.—Unless the reduction required by paragraph (3) applies, when the actual dairy producer margin has been $5.00 or less per hundredweight of milk for two consecutive months, the handler shall make payments to a participating dairy producer for a month based on the greater of the following:

(A) 97 percent of the stabilization program base of the dairy producer.

(B) 93 percent of the marketings of milk for the month by the producer.

(3) REDUCTION REQUIREMENT 3.—When the actual dairy producer margin has been $4.00 or less for any one month, the handler shall make payments to a participating dairy producer for a month based on the greater of the following:

(A) 96 percent of the stabilization program base of the dairy producer.

(B) 92 percent of the marketings of milk for the month by the producer.

(c) CONTINUATION OF REDUCTIONS.—The largest level of payment reduction required under paragraph (1), (2), or (3) of subsection (b) shall be continued for each month until the Secretary suspends the stabilization program and terminates payment reductions in accordance with section 1436.

(d) PAYMENT REDUCTION EXCEPTION.—Notwithstanding any preceding subsection of this section, a handler shall make no payment reductions for a dairy producer for a month if the producer's milk marketings for the month are equal to or less than the percentage of the stabilization program base applicable to the producer under paragraph (1), (2), or (3) of subsection (b).

SEC. 1435. REMITTING MONIES TO THE SECRETARY AND USE OF MONIES.

(a) REMITTING MONIES.—As soon as practicable after the end of each month during which payment reductions are in effect under the stabilization program, each handler shall remit to the Secretary an amount equal to the amount by which payments to participating dairy producers are reduced by the handler under section 1434.

(b) DEPOSIT OF MONIES.—All monies received under subsection (a) shall be available to the Secretary, without further appropriation and until expended, for use or transfer as provided in subsection (c).

(c) USE OF MONIES.—

(1) AVAILABILITY FOR CERTAIN COMMODITY DONATIONS.—Within three months of the receipt of monies under subsection (a), the Secretary shall obligate the monies for the purpose of—

(A) purchasing dairy products for donation to food banks and other programs that the Secretary determines appropriate; and

(B) expanding consumption and building demand for dairy products.

(2) NO DUPLICATION OF EFFORT.—The Secretary shall ensure that expenditures under paragraph (1) are compatible with, and do not duplicate, programs supported by the dairy research and promotion activities conducted under the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501 et seq.).

(3) ACCOUNTING.—The Secretary shall keep an accurate account of all monies obligated under paragraph (1).

(d) ANNUAL REPORT.—Not later than December 31 of each year that the stabilization program is in effect, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that provides an accurate accounting of—

(1) the monies received by the Secretary during the preceding fiscal year under subsection (a); and

(2) all expenditures made by the Secretary under subsection (b) during the preceding fiscal year.

(e) ENFORCEMENT.—If a participating dairy producer or handler fails to remit or collect the amounts by which payments to participating dairy producers are reduced under section 1434, the producer or handler responsible for the failure shall be liable to the Secretary for the amount that should have been remitted or collected, plus interest. In addition to the enforcement authorities available under section 1437, the Secretary may enforce this subsection in the courts of the United States.

SEC. 1436. SUSPENSION OF REDUCED PAYMENT REQUIREMENT.

(a) DETERMINATION OF PRICES.—For purposes of this section:

(1) The price in the United States for cheddar cheese and nonfat dry milk shall be determined by the Secretary.

(2) The world price of cheddar cheese and skim milk powder shall be determined by the Secretary.

(b) INITIAL SUSPENSION THRESHOLDS.—The Secretary shall announce that the stabilization program shall be suspended whenever the Secretary determines that—

(1) the actual dairy producer margin is greater than $6.00 per hundredweight of milk for two consecutive months;

(2) the dairy producer margin is equal to or less than $6.00 (but greater than $5.00) for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is equal to or greater than the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is equal to or greater than the world price of skim milk powder;

(3) the dairy producer margin is equal to or less than $5.00 (but greater than $4.00) for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is more than 5 percent above the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is more than 5 percent above the world price of skim milk powder; or

(4) the dairy producer margin is equal to or less than $4.00 for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is more than 7 percent above the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is more than 7 percent above the world price of skim milk powder.

(c) ENHANCED SUSPENSION THRESHOLDS.—If the stabilization program is not suspended pursuant to subsection (b) for six consecutive months or more, the stabilization program shall be suspended whenever the Secretary determines that—

(1) the actual dairy producer margin is greater than $6.00 per hundredweight of milk for two consecutive months;

(2) the dairy producer margin is equal to or less than $6.00 (but greater than $5.00) for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is not less than 97 percent of the world price of cheddar cheese; or

(B) the price in the United States for non-fat dry milk is not less than 97 percent of the world price of skim milk powder;

(3) the dairy producer margin is equal to or less than $5.00 (but greater than $4.00) for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is more than 3 percent above the world price of cheddar cheese; or

(B) the price in the United States for non fat dry milk is more than 3 percent above the world price of skim milk powder; or

(4) the dairy producer margin is equal to or less than $4.00 for two consecutive months, and during the same two consecutive months—

(A) the price in the United States for cheddar cheese is more than 6 percent above the world price of cheddar cheese; or

(B) the price in the United States for non fat dry milk is more than 6 percent above the world price of skim milk powder.

(d) IMPLEMENTATION BY HANDLERS.—Effective on the day after the date of the announcement by the Secretary under subsection (b) or (c) of the suspension of the stabilization program, the handler shall cease reducing payments to participating dairy producers under the stabilization program.

(e) CONDITION ON RESUMPTION OF STABILIZATION PROGRAM.—Upon the announcement by the Secretary under subsection (b) or (c) that the stabilization program has been suspended, the stabilization program may not be implemented again until, at the earliest—

(1) two months have passed, beginning on the first day of the month immediately following the announcement by the Secretary; and

(2) the conditions of section 1432(a) are again met.

SEC. 1437. ENFORCEMENT.

(a) UNLAWFUL ACT.—It shall be unlawful and a violation of the this subpart for any person subject to the stabilization program to willfully fail or refuse to provide, or delay the timely reporting of, accurate information and remittance of funds to the Secretary in accordance with this subpart.

(b) ORDER.—After providing notice and opportunity for a hearing to an affected person, the Secretary may issue an order against any person to cease and desist from continuing any violation of this subpart.

(c) APPEAL.—An order of the Secretary under subsection (b) shall be final and conclusive unless an affected person files an appeal of the order of the Secretary in United States district court not later than 30 days after the date of the issuance of the order. A finding of the Secretary in the order shall be set aside only if the finding is not supported by substantial evidence.

(d) NONCOMPLIANCE WITH ORDER.—If a person subject to this subpart fails to obey an order issued under subsection (b) after the order has become final and unappealable, or after the appropriate United States district court has entered a final judgment in favor of the Secretary, the United States may apply to the appropriate United States district court for enforcement of the order. If the court determines that the order was lawfully made and duly served and that the person violated the order, the court shall enforce the order.

SEC. 1438. AUDIT REQUIREMENTS.

(a) AUDITS OF PRODUCER AND HANDLER COMPLIANCE.—

(1) AUDITS AUTHORIZED.—If determined by the Secretary to be necessary to ensure compliance by participating dairy producers and handlers with the stabilization program, the Secretary may conduct periodic audits of participating dairy producers and handlers.

(2) SAMPLE OF DAIRY PRODUCERS.—Any audit conducted under this subsection shall include, at a minimum, investigation of a statistically valid and random sample of participating dairy producers.

(b) SUBMISSION OF RESULTS.—The Secretary shall submit the results of any audit conducted under subsection (a) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the

Senate and include such recommendations as the Secretary considers appropriate regarding the stabilization program.

Subpart C—Commodity Credit Corporation

SEC. 1451. USE OF COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and the authorities of the Commodity Credit Corporation to carry out this part.

Subpart D—Initiation and Duration

SEC. 1461. RULEMAKING.

(a) PROCEDURE.—The promulgation of regulations for the initiation of the margin protection program and the stabilization program, and for administration of such programs, shall be made without regard to—

(1) chapter 35 of title 44, United States Code (commonly known as the Paperwork Reduction Act);

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) the notice and comment provisions of section 553 of title 5, United States Code.

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out subsection (a), the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 1462. DURATION.

The margin protection program and the stabilization program shall end on December 31, 2017.

PART II—REPEAL OR REAUTHORIZATION OF OTHER DAIRY-RELATED PROVISIONS

SEC. 1481. REPEAL OF DAIRY PRODUCT PRICE SUPPORT AND MILK INCOME LOSS CONTRACT PROGRAMS.

(a) REPEAL OF DAIRY PRODUCT PRICE SUPPORT PROGRAM.—Section 1501 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8771) is repealed.

(b) REPEAL OF MILK INCOME LOSS CONTRACT PROGRAM.—Section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) is repealed.

SEC. 1482. REPEAL OF DAIRY EXPORT INCENTIVE PROGRAM.

(a) REPEAL.—Section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14) is repealed.

(b) CONFORMING AMENDMENTS.—Section 902(2) of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7201(2)) is amended—

(1) by striking subparagraph (D); and

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

SEC. 1483. EXTENSION OF DAIRY FORWARD PRICING PROGRAM.

Section 1502(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8772(e)) is amended—

(1) in paragraph (1), by striking "2012" and inserting "2017"; and

(2) in paragraph (2), by striking "2015" and inserting "2020".

SEC. 1484. EXTENSION OF DAIRY INDEMNITY PROGRAM.

Section 3 of Public Law 90–484 (7 U.S.C. 450l) is amended by striking "2012" and inserting "2017".

SEC. 1485. EXTENSION OF DAIRY PROMOTION AND RESEARCH PROGRAM.

Section 113(e)(2) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(e)(2)) is amended by striking "2012" and inserting "2017".

SEC. 1486. REPEAL OF FEDERAL MILK MARKETING ORDER REVIEW COMMISSION.

Section 1509 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1726) is repealed.

PART III—EFFECTIVE DATE

SEC. 1491. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect on October 1, 2012.

Subtitle E—Supplemental Agricultural Disaster Assistance Programs

SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE PRODUCER ON A FARM.—

(A) IN GENERAL.—The term "eligible producer on a farm" means an individual or entity described in subparagraph (B) that, as determined by the Secretary, assumes the production and market risks associated with the agricultural production of crops or livestock.

(B) DESCRIPTION.—An individual or entity referred to in subparagraph (A) is—

(i) a citizen of the United States;

(ii) a resident alien;

(iii) a partnership of citizens of the United States; or

(iv) a corporation, limited liability corporation, or other farm organizational structure organized under State law.

(2) FARM-RAISED FISH.—The term "farm-raised fish" means any aquatic species that is propagated and reared in a controlled environment.

(3) LIVESTOCK.—The term "livestock" includes—

(A) cattle (including dairy cattle);

(B) bison;

(C) poultry;

(D) sheep;

(E) swine;

(F) horses; and

(G) other livestock, as determined by the Secretary.

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(b) LIVESTOCK INDEMNITY PAYMENTS.—

(1) PAYMENTS.—For each of the fiscal years 2012 through 2017, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to make livestock indemnity payments to eligible producers on farms that have incurred livestock death losses in excess of the normal mortality, as determined by the Secretary, due to—

(A) attacks by animals reintroduced into the wild by the Federal Government or protected by Federal law, including wolves and avian predators; or

(B) adverse weather, as determined by the Secretary, during the calendar year, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat, and extreme cold.

(2) PAYMENT RATES.—Indemnity payments to an eligible producer on a farm under paragraph (1) shall be made at a rate of 75 percent of the market value of the applicable livestock on the day before the date of death of the livestock, as determined by the Secretary.

(3) SPECIAL RULE FOR PAYMENTS MADE DUE TO DISEASE.—The Secretary shall ensure that payments made to an eligible producer under paragraph (1) are not made for the same livestock losses for which compensation is provided pursuant to section 10407(d) of the Animal Health Protection Act (7 U.S.C. 8306(d)).

(c) LIVESTOCK FORAGE DISASTER PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) COVERED LIVESTOCK.—

(i) IN GENERAL.—Except as provided in clause (ii), the term "covered livestock" means livestock of an eligible livestock producer that, during the 60 days prior to the beginning date of a qualifying drought or fire condition, as determined by the Secretary, the eligible livestock producer—

(I) owned;

(II) leased;

(III) purchased;

(IV) entered into a contract to purchase;

(V) is a contract grower; or

(VI) sold or otherwise disposed of due to qualifying drought conditions during—

(aa) the current production year; or

(bb) subject to paragraph (3)(B)(ii), 1 or both of the 2 production years immediately preceding the current production year.

(ii) EXCLUSION.—The term "covered livestock" does not include livestock that were or would have been in a feedlot, on the beginning date of the qualifying drought or fire condition, as a part of the normal business operation of the eligible livestock producer, as determined by the Secretary.

(B) DROUGHT MONITOR.—The term "drought monitor" means a system for classifying drought severity according to a range of abnormally dry to exceptional drought, as defined by the Secretary.

(C) ELIGIBLE LIVESTOCK PRODUCER.—

(i) IN GENERAL.—The term "eligible livestock producer" means an eligible producer on a farm that—

(I) is an owner, cash or share lessee, or contract grower of covered livestock that provides the pastureland or grazing land, including cash-leased pastureland or grazing land, for the livestock;

(II) provides the pastureland or grazing land for covered livestock, including cash-leased pastureland or grazing land that is physically located in a county affected by drought;

(III) certifies grazing loss; and

(IV) meets all other eligibility requirements established under this subsection.

(ii) EXCLUSION.—The term "eligible livestock producer" does not include an owner, cash or share lessee, or contract grower of livestock that rents or leases pastureland or grazing land owned by another person on a rate-of-gain basis.

(D) NORMAL CARRYING CAPACITY.—The term "normal carrying capacity", with respect to each type of grazing land or pastureland in a county, means the normal carrying capacity, as determined under paragraph (3)(D)(i), that would be expected from the grazing land or pastureland for livestock during the normal grazing period, in the absence of a drought or fire that diminishes the production of the grazing land or pastureland.

(E) NORMAL GRAZING PERIOD.—The term "normal grazing period", with respect to a county, means the normal grazing period during the calendar year for the county, as determined under paragraph (3)(D)(i).

(2) PROGRAM.—For each of the fiscal years 2012 through 2017, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to provide compensation for losses to eligible livestock producers due to grazing losses for covered livestock due to—

(A) a drought condition, as described in paragraph (3); or

(B) fire, as described in paragraph (4).

(3) ASSISTANCE FOR LOSSES DUE TO DROUGHT CONDITIONS.—

(A) ELIGIBLE LOSSES.—

(i) IN GENERAL.—An eligible livestock producer may receive assistance under this subsection only for grazing losses for covered livestock that occur on land that—

(I) is native or improved pastureland with permanent vegetative cover; or

(II) is planted to a crop planted specifically for the purpose of providing grazing for covered livestock.

(ii) EXCLUSIONS.—An eligible livestock producer may not receive assistance under this subsection for grazing losses that occur on land used for haying or grazing under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(B) MONTHLY PAYMENT RATE.—

(i) IN GENERAL.—Except as provided in clause (ii), the payment rate for assistance under this paragraph for 1 month shall, in the case of drought, be equal to 60 percent of the lesser of—

(I) the monthly feed cost for all covered livestock owned or leased by the eligible livestock producer, as determined under subparagraph (C); or

(II) the monthly feed cost calculated by using the normal carrying capacity of the eligible grazing land of the eligible livestock producer.

(ii) PARTIAL COMPENSATION.—In the case of an eligible livestock producer that sold or otherwise disposed of covered livestock due to drought conditions in 1 or both of the 2 production years immediately preceding the current production year, as determined by the Secretary, the payment rate shall be 80 percent of the payment rate otherwise calculated in accordance with clause (i).

(C) MONTHLY FEED COST.—

(i) IN GENERAL.—The monthly feed cost shall equal the product obtained by multiplying—

(I) 30 days;

(II) a payment quantity that is equal to the feed grain equivalent, as determined under clause (ii); and

(III) a payment rate that is equal to the corn price per pound, as determined under clause (iii).

(ii) FEED GRAIN EQUIVALENT.—For purposes of clause (i)(II), the feed grain equivalent shall equal—

(I) in the case of an adult beef cow, 15.7 pounds of corn per day; or

(II) in the case of any other type of weight of livestock, an amount determined by the Secretary that represents the average number of pounds of corn per day necessary to feed the livestock.

(iii) CORN PRICE PER POUND.—For purposes of clause (i)(III), the corn price per pound shall equal the quotient obtained by dividing—

(I) the higher of—

(aa) the national average corn price per bushel for the 12-month period immediately preceding March 1 of the year for which the disaster assistance is calculated; or

(bb) the national average corn price per bushel for the 24-month period immediately preceding that March 1; by

(II) 56.

(D) NORMAL GRAZING PERIOD AND DROUGHT MONITOR INTENSITY.—

(i) FSA COUNTY COMMITTEE DETERMINATIONS.—

(I) IN GENERAL.—The Secretary shall determine the normal carrying capacity and normal grazing period for each type of grazing land or pastureland in the county served by the applicable committee.

(II) CHANGES.—No change to the normal carrying capacity or normal grazing period established for a county under subclause (I) shall be made unless the change is requested by the appropriate State and county Farm Service Agency committees.

(ii) DROUGHT INTENSITY.—

(I) D2.—An eligible livestock producer that owns or leases grazing land or pastureland that is physically located in a county that is rated by the U.S. Drought Monitor as having a D2 (severe drought) intensity in any area of the county for at least 8 consecutive weeks during the normal grazing period for the county, as determined by the Secretary, shall be eligible to receive assistance under this paragraph in an amount equal to 1 monthly payment using the monthly payment rate determined under subparagraph (B).

(II) D3.—An eligible livestock producer that owns or leases grazing land or pastureland that is physically located in a county that is rated by the U.S. Drought Monitor as having at least a D3 (extreme drought) intensity in any area of the county at any time during the normal grazing period for the county, as determined by the Secretary, shall be eligible to receive assistance under this paragraph—

(aa) in an amount equal to 2 monthly payments using the monthly payment rate determined under subparagraph (B); or

(bb) if the county is rated as having a D3 (extreme drought) intensity in any area of the county for at least 4 weeks during the normal grazing period for the county, or is rated as having a D4 (exceptional drought) intensity in any area of the county at any time during the normal grazing period, in an amount equal to 3 monthly payments using the monthly payment rate determined under subparagraph (B).

(4) ASSISTANCE FOR LOSSES DUE TO FIRE ON PUBLIC MANAGED LAND.—

(A) IN GENERAL.—An eligible livestock producer may receive assistance under this paragraph only if—

(i) the grazing losses occur on rangeland that is managed by a Federal agency; and

(ii) the eligible livestock producer is prohibited by the Federal agency from grazing the normal permitted livestock on the managed rangeland due to a fire.

(B) PAYMENT RATE.—The payment rate for assistance under this paragraph shall be equal to 50 percent of the monthly feed cost for the total number of livestock covered by the Federal lease of the eligible livestock producer, as determined under paragraph (3)(C).

(C) PAYMENT DURATION.—

(i) IN GENERAL.—Subject to clause (ii), an eligible livestock producer shall be eligible to receive assistance under this paragraph for the period—

(I) beginning on the date on which the Federal agency excludes the eligible livestock producer from using the managed rangeland for grazing; and

(II) ending on the last day of the Federal lease of the eligible livestock producer.

(ii) LIMITATION.—An eligible livestock producer may only receive assistance under this paragraph for losses that occur on not more than 180 days per year.

(5) NO DUPLICATIVE PAYMENTS.—An eligible livestock producer may elect to receive assistance for grazing or pasture feed losses due to drought conditions under paragraph (3) or fire under paragraph (4), but not both for the same loss, as determined by the Secretary.

(d) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—

(1) IN GENERAL.—For each of the fiscal years 2012 through 2017, the Secretary shall use not more than $20,000,000 of the funds of the Commodity Credit Corporation to provide emergency relief to eligible producers of livestock, honey bees, and farm-raised fish to aid in the reduction of losses due to disease (including cattle tick fever), adverse weather, or other conditions, such as blizzards and wildfires, as determined by the Secretary, that are not covered under subsection (b) or (c).

(2) USE OF FUNDS.—Funds made available under this subsection shall be used to reduce losses caused by feed or water shortages, disease, or other factors as determined by the Secretary.

(3) AVAILABILITY OF FUNDS.—Any funds made available under this subsection shall remain available until expended.

(e) TREE ASSISTANCE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ELIGIBLE ORCHARDIST.—The term "eligible orchardist" means a person that produces annual crops from trees for commercial purposes.

(B) NATURAL DISASTER.—The term "natural disaster" means plant disease, insect infestation, drought, fire, freeze, flood, earthquake, lightning, or other occurrence, as determined by the Secretary.

(C) NURSERY TREE GROWER.—The term "nursery tree grower" means a person who produces nursery, ornamental, fruit, nut, or Christmas trees for commercial sale, as determined by the Secretary.

(D) TREE.—The term "tree" includes a tree, bush, and vine.

(2) ELIGIBILITY.—

(A) LOSS.—Subject to subparagraph (B), for each of the fiscal years 2012 through 2017, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to provide assistance—

(i) under paragraph (3) to eligible orchardists and nursery tree growers that planted trees for commercial purposes but lost the trees as a result of a natural disaster, as determined by the Secretary; and

(ii) under paragraph (3)(B) to eligible orchardists and nursery tree growers that have a production history for commercial purposes on planted or existing trees but lost the trees as a result of a natural disaster, as determined by the Secretary.

(B) LIMITATION.—An eligible orchardist or nursery tree grower shall qualify for assistance under subparagraph (A) only if the tree mortality of the eligible orchardist or nursery tree grower, as a result of damaging weather or related condition, exceeds 15 percent (adjusted for normal mortality).

(3) ASSISTANCE.—Subject to paragraph (4), the assistance provided by the Secretary to eligible orchardists and nursery tree growers for losses described in paragraph (2) shall consist of—

(A)(i) reimbursement of 65 percent of the cost of replanting trees lost due to a natural disaster, as determined by the Secretary, in excess of 15 percent mortality (adjusted for normal mortality); or

(ii) at the option of the Secretary, sufficient seedlings to reestablish a stand; and

(B) reimbursement of 50 percent of the cost of pruning, removal, and other costs incurred by an eligible orchardist or nursery tree grower to salvage existing trees or, in the case of tree mortality, to prepare the land to replant trees as a result of damage or tree mortality due to a natural disaster, as determined by the Secretary, in excess of 15 percent damage or mortality (adjusted for normal tree damage and mortality).

(4) LIMITATIONS ON ASSISTANCE.—

(A) DEFINITIONS OF LEGAL ENTITY AND PERSON.—In this paragraph, the terms "legal entity" and "person" have the meaning given those terms in section 1001(a) of the Food Security Act of 1985 (7 U.S.C. 1308(a)).

(B) AMOUNT.—The total amount of payments received, directly or indirectly, by a person or legal entity (excluding a joint venture or general partnership) under this subsection may not exceed $125,000 for any crop year, or an equivalent value in tree seedlings.

(C) ACRES.—The total quantity of acres planted to trees or tree seedlings for which a person or legal entity shall be entitled to receive payments under this subsection may not exceed 500 acres.

(f) PAYMENT LIMITATIONS.—

(1) DEFINITIONS OF LEGAL ENTITY AND PERSON.—In this subsection, the terms "legal entity" and "person" have the meaning given those terms in section 1001(a) of the Food Security Act of 1985 (7 U.S.C. 1308(a).

(2) AMOUNT.—The total amount of disaster assistance payments received, directly or indirectly, by a person or legal entity (excluding a joint venture or general partnership) under this section (excluding payments received under subsection (e)) may not exceed $125,000 for any crop year.

(3) DIRECT ATTRIBUTION.—Subsections (e) and (f) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) or any successor provisions relating to direct attribution shall apply with respect to assistance provided under this section.

Subtitle F—Administration

SEC. 1601. ADMINISTRATION GENERALLY.

(a) USE OF COMMODITY CREDIT CORPORATION.—The Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

(b) DETERMINATIONS BY SECRETARY.—A determination made by the Secretary under this title shall be final and conclusive.

(c) REGULATIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, not later than 90 days after the date of enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this title and the amendments made by this title.

(2) PROCEDURE.—The promulgation of the regulations and administration of this title and the amendments made by this title and sections 11003 and 11016 of this Act shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code;

(B) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act"); and

(C) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking.

(3) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this subsection, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(d) ADJUSTMENT AUTHORITY RELATED TO TRADE AGREEMENTS COMPLIANCE.—

(1) REQUIRED DETERMINATION; ADJUSTMENT.—If the Secretary determines that expenditures under this title that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501)) will exceed the allowable levels for any applicable reporting period, the Secretary shall, to the

maximum extent practicable, make adjustments in the amount of the expenditures during that period to ensure that the expenditures do not exceed the allowable levels.

(2) CONGRESSIONAL NOTIFICATION.—Before making any adjustment under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the determination made under that paragraph and the extent of the adjustment to be made.

SEC. 1602. SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.

(a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 2013 through 2017 crops of covered commodities (as defined in section 1104), cotton, and sugar and shall not be applicable to milk during the period beginning on the date of enactment of this Act through December 31, 2017:

(1) Parts II through V of subtitle B of title III (7 U.S.C. 1326 et seq.).

(2) In the case of upland cotton, section 377 (7 U.S.C. 1377).

(3) Subtitle D of title III (7 U.S.C. 1379a et seq.).

(4) Title IV (7 U.S.C. 1401 et seq.).

(b) AGRICULTURAL ACT OF 1949.—The following provisions of the Agricultural Act of 1949 shall not be applicable to the 2013 through 2017 crops of covered commodities (as defined in section 1104), cotton, and sugar and shall not be applicable to milk during the period beginning on the date of enactment of this Act and through December 31, 2017:

(1) Section 101 (7 U.S.C. 1441).

(2) Section 103(a) (7 U.S.C. 1444(a)).

(3) Section 105 (7 U.S.C. 1444b).

(4) Section 107 (7 U.S.C. 1445a).

(5) Section 110 (7 U.S.C. 1445e).

(6) Section 112 (7 U.S.C. 1445g).

(7) Section 115 (7 U.S.C. 1445k).

(8) Section 201 (7 U.S.C. 1446).

(9) Title III (7 U.S.C. 1447 et seq.).

(10) Title IV (7 U.S.C. 1421 et seq.), other than sections 404, 412, and 416 (7 U.S.C. 1424, 1429, and 1431).

(11) Title V (7 U.S.C. 1461 et seq.).

(12) Title VI (7 U.S.C. 1471 et seq.).

(c) SUSPENSION OF CERTAIN QUOTA PROVISIONS.—The joint resolution entitled "A joint resolution relating to corn and wheat marketing quotas under the Agricultural Adjustment Act of 1938, as amended", approved May 26, 1941 (7 U.S.C. 1330, 1340), shall not be applicable to the crops of wheat planted for harvest in the calendar years 2013 through 2017.

SEC. 1603. PAYMENT LIMITATIONS.

(a) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking subsections (b) and (c) and inserting the following:

"(b) LIMITATION ON PAYMENTS FOR COVERED COMMODITIES (OTHER THAN PEANUTS).—The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012 for 1 or more covered commodities (other than peanuts) may not exceed $125,000.

"(c) LIMITATION ON PAYMENTS FOR PEANUTS.—The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012 for peanuts may not exceed $125,000.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1001(f) of the Food Security Act of 1985 (7 U.S.C. 1308(f)) is amended by striking "or title XII" each place it appears in paragraphs (5)(A) and (6)(A) and inserting ", title I of the Federal Agriculture Reform and Risk Management Act of 2012, or title XII".

(2) Section 1001C(a) of the Food Security Act of 1985 (7 U.S.C. 1308–3(a)) is amended by inserting "title I of the Federal Agriculture Reform and Risk Management Act of 2012," after "2008,".

(c) APPLICATION.—The amendments made by this section shall apply beginning with the 2013 crop year.

SEC. 1604. ADJUSTED GROSS INCOME LIMITATION.

(a) LIMITATIONS AND COVERED BENEFITS.—Section 1001D(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)) is amended—

(1) in the subsection heading, by striking "LIMITATIONS" and inserting "LIMITATIONS ON COMMODITY AND CONSERVATION PROGRAMS";

(2) by striking paragraphs (1) and (2) and inserting the following new paragraphs:

"(1) LIMITATION.—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive any benefit described in paragraph (2) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross income of the person or legal entity exceeds $950,000.

"(2) COVERED BENEFITS.—Paragraph (1) applies with respect to a payment or benefit under section 1107, subtitle B or E of title I, or title II of the Federal Agriculture Reform and Risk Management Act of 2012, title II of the Farm Security and Rural Investment Act of 2002, title II of the Food, Conservation, and Energy Act of 2008, title XII of the Food Security Act of 1985, section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)), or section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).".

(b) ELIMINATION OF UNUSED DEFINITIONS.—Paragraph (1) of section 1001D(a) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(a)) is amended to read as follows:

"(1) AVERAGE ADJUSTED GROSS INCOME.—In this section, the term 'average adjusted gross income', with respect to a person or legal entity, means the average of the adjusted gross income or comparable measure of the person or legal entity over the 3 taxable years preceding the most immediately preceding complete taxable year, as determined by the Secretary.".

(c) INCOME DETERMINATION.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(d) CONFORMING AMENDMENTS.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a) is amended—

(1) in subsection (a)(2)—

(A) by striking "subparagraph (A) or (B) of"; and

(B) by striking ", the average adjusted gross farm income, and the average adjusted gross nonfarm income";

(2) in subsection (a)(3), by striking ", average adjusted gross farm income, and average adjusted gross nonfarm income" both places it appears;

(3) in subsection (c) (as redesignated by subsection (c)(2) of this section)—

(A) in paragraph (1), by striking ", average adjusted gross farm income, and average adjusted gross nonfarm income" both places it appears; and

(B) in paragraph (2), by striking "paragraphs (1)(C) and (2)(B) of subsection (b)" and inserting "subsection (b)(2)"; and

(4) in subsection (d) (as redesignated by subsection (c)(2) of this section)—

(A) by striking "paragraphs (1)(C) and (2)(B) of subsection (b)" and inserting "subsection (b)(2)"; and

(B) by striking ", average adjusted gross farm income, or average adjusted gross nonfarm income".

(e) EFFECTIVE PERIOD.—Subsection (e) of section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a), as redesignated by subsection (c)(2) of this section, is amended by striking "2009 through 2012" and inserting "2013 through 2017".

(f) LIMITATION ON APPLICABILITY.—Section 1001(d) of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by inserting before the period at the end the following: "or title I of the Federal Agriculture Reform and Risk Management Act of 2012".

(g) TRANSITION.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308-3a), as in effect on the day before the date of the enactment of this Act, shall apply with respect to the 2012 crop, fiscal, or program year, as appropriate, for each program described in paragraphs (1)(C) and (2)(B) of subsection (b) of that section (as so in effect on that day).

SEC. 1605. GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.

Section 1621(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8792(d)) is amended by striking "2012" and inserting "2017".

SEC. 1606. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.

Section 164 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7284) is amended by striking "and title I of the Food, Conservation, and Energy Act of 2008" each place it appears and inserting "title I of the Food, Conserva-

tion, and Energy Act of 2008 (7 U.S.C. 8702 et seq.), and title I of the Federal Agriculture Reform and Risk Management Act of 2012".

SEC. 1607. PREVENTION OF DECEASED INDIVIDUALS RECEIVING PAYMENTS UNDER FARM COMMODITY PROGRAMS.

(a) RECONCILIATION.—At least twice each year, the Secretary shall reconcile social security numbers of all individuals who receive payments under this title, whether directly or indirectly, with the Commissioner of Social Security to determined if the individuals are alive.

(b) PRECLUSION.—The Secretary shall preclude the issuance of payments to, and on behalf of, deceased individuals that were not eligible for payments.

SEC. 1608. TECHNICAL CORRECTIONS.

(a) MISSING PUNCTUATION.—Section 359f(c)(1)(B) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ff(c)(1)(B)) is amended by adding a period at the end.

(b) ERRONEOUS CROSS REFERENCE.—

(1) AMENDMENT.—Section 1603(g) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1739) is amended in paragraphs (2) through (6) and the amendments made by those paragraphs by striking "1703(a)" each place it appears and inserting "1603(a)".

(2) EFFECTIVE DATE.—This subsection and the amendments made by this subsection take effect as if included in the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1651).

(c) CONTINUED APPLICABILITY OF APPROPRIATIONS GENERAL PROVISION.—Section 767 of division A of Public Law 108–7 (7 U.S.C. 7911 note; 117 Stat. 48) is amended—

(1) in subsection (a)—

(A) by striking "sections 1101 and 1102 of Public Law 107–171" and inserting "subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012"; and

(B) by striking "such section 1102" and inserting "such subtitle"; and

(2) by striking subsection (b) and inserting the following new subsection:

"(b) This section, as amended by section 1608(c) of the Federal Agriculture Reform and Risk Management Act of 2012, shall take effect beginning with the 2013 crop year.".

SEC. 1609. ASSIGNMENT OF PAYMENTS.

(a) IN GENERAL.—The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)), relating to assignment of payments, shall apply to payments made under this title.

(b) NOTICE.—The producer making the assignment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this section.

SEC. 1610. TRACKING OF BENEFITS.

As soon as practicable after the date of enactment of this Act, the Secretary may track the benefits provided, directly or indirectly, to individuals and entities under titles I and II and the amendments made by those titles.

SEC. 1611. SIGNATURE AUTHORITY.

(a) IN GENERAL.—In carrying out this title and title II and amendments made by those titles, if the Secretary approves a document, the Secretary shall not subsequently determine the document is inadequate or invalid because of the lack of authority of any person signing the document on behalf of the applicant or any other individual, entity, general partnership, or joint venture, or the documents relied upon were determined inadequate or invalid, unless the person signing the program document knowingly and willfully falsified the evidence of signature authority or a signature.

(b) AFFIRMATION.—

(1) IN GENERAL.—Nothing in this section prohibits the Secretary from asking a proper party to affirm any document that otherwise would be considered approved under subsection (a).

(2) NO RETROACTIVE EFFECT.—A denial of benefits based on a lack of affirmation under paragraph (1) shall not be retroactive with respect to third-party producers who were not the subject of the erroneous representation of authority, if the third-party producers—

(A) relied on the prior approval by the Secretary of the documents in good faith; and

(B) substantively complied with all program requirements.

SEC. 1612. IMPLEMENTATION.

(a) STREAMLINING.—In implementing this title, the Secretary shall, to the maximum extent practicable—

(1) seek to reduce administrative burdens and costs to producers by streamlining and reducing paperwork, forms, and other administrative requirements;

(2) improve coordination, information sharing, and administrative work with the Risk Management Agency and the Natural Resources Conservation Service; and

(3) take advantage of new technologies to enhance efficiency and effectiveness of program delivery to producers.

(b) MAINTENANCE OF BASE ACRES AND PAYMENT YIELDS.—

(1) IN GENERAL.—The Secretary shall maintain through September 30, 2017, for each covered commodity and upland cotton, base acres and payment yields on a farm established under—

(A)(i) in the case of covered commodities and upland cotton, sections 1101 and 1102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911, 7912); and

(ii) in the case of peanuts, section 1302 of that Act (7 U.S.C. 7952); and

(B)(i) in the case of covered commodities and upland cotton, sections 1101 and 1102 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711, 8712); and

(ii) in the case of peanuts, section 1302 of that Act (7 U.S.C. 8752).

(2) SPECIAL RULE FOR LONG GRAIN AND MEDIUM GRAIN RICE.—

(A) IN GENERAL.—The Secretary shall maintain separate base acres for long grain rice and medium grain rice.

(B) LIMITATION.—In carrying out this paragraph, the Secretary shall use the same total base acres and payment yields established with respect to rice under sections 1108 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8718), as in effect on the day before the date of enactment of this Act, subject to any adjustment under section 1105.

(c) IMPLEMENTATION.—The Secretary shall make available to the Farm Service Agency to carry out this title $100,000,000.

TITLE II—CONSERVATION

Subtitle A—Conservation Reserve Program

SEC. 2001. EXTENSION AND ENROLLMENT REQUIREMENTS OF CONSERVATION RESERVE PROGRAM.

(a) EXTENSION.—Section 1231(a) of the Food Security Act of 1985 (16 U.S.C. 3831(a)) is amended by striking "2012" and inserting "2017".

(b) ELIGIBLE LAND.—Section 1231(b) of the Food Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

(1) in paragraph (1)(B), by striking "the date of enactment of the Food, Conservation, and Energy Act of 2008" and inserting "the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012";

(2) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2);

(3) by inserting before paragraph (4) the following new paragraph:

"(3) grasslands that—

"(A) contain forbs or shrubland (including improved rangeland and pastureland) for which grazing is the predominant use;

"(B) are located in an area historically dominated by grasslands; and

"(C) could provide habitat for animal and plant populations of significant ecological value if the land is retained in its current use or restored to a natural condition;";

(4) in paragraph (4)(C), by striking "filterstrips devoted to trees or shrubs" and inserting "filterstrips or riparian buffers devoted to trees, shrubs, or grasses"; and

(5) by striking paragraph (5) and inserting the following new paragraph:

"(5) the portion of land in a field not enrolled in the conservation reserve in a case in which—

"(A) more than 50 percent of the land in the field is enrolled as a buffer or filterstrip, or more than 75 percent of the land in the field is enrolled as a conservation practice other than as a buffer or filterstrip; and

"(B) the remainder of the field is—

"(i) infeasible to farm; and

"(ii) enrolled at regular rental rates.".

(c) PLANTING STATUS OF CERTAIN LAND.—Section 1231(c) of the Food Security Act of 1985 (16 U.S.C. 3831(c)) is amended by striking "if" and all that follows through the period at the end and inserting "if, during the crop year, the land was devoted to a conserving use.".

(d) ENROLLMENT.—Subsection (d) of section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended to read as follows:

"(d) ENROLLMENT.—

"(1) MAXIMUM ACREAGE ENROLLED.—The Secretary may maintain in the conservation reserve at any one time during—

"(A) fiscal year 2012, no more than 32,000,000 acres;

"(B) fiscal year 2013, no more than 29,000,000 acres;

"(C) fiscal year 2014, no more than 26,000,000 acres;

"(D) fiscal year 2015, no more than 26,000,000 acres;

"(E) fiscal year 2016, no more than 25,500,000 acres; and

"(F) fiscal year 2017, no more than 25,000,000 acres.

"(2) GRASSLANDS.—

"(A) LIMITATION.—For purposes of applying the limitations in paragraph (1), no more than 2,000,000 acres of the land described in subsection (b)(3) may be enrolled in the program at any one time during the 2013 through 2017 fiscal years.

"(B) PRIORITY.—In enrolling acres under subparagraph (A), the Secretary may give priority to land with expiring conservation reserve program contracts.

"(C) METHOD OF ENROLLMENT.—In enrolling acres under subparagraph (A), the Secretary shall make the program available to owners or operators of eligible land on a continuous enrollment basis with one or more ranking periods.".

(e) DURATION OF CONTRACT.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended by striking paragraphs (2) and (3) and inserting the following new paragraph:

"(2) SPECIAL RULE FOR CERTAIN LAND.—In the case of land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors under a contract entered into under this subchapter, the owner or operator of the land may, within the limitations prescribed under paragraph (1), specify the duration of the contract.".

(f) CONSERVATION PRIORITY AREAS.—Section 1231(f) of the Food Security Act of 1985 (16 U.S.C. 3831(f)) is amended—

(1) in paragraph (1), by striking "watershed areas of the Chesapeake Bay Region, the Great Lakes Region, the Long Island Sound Region, and other";

(2) in paragraph (2), by striking "WATERSHEDS.—Watersheds" and inserting "AREAS.—Areas"; and

(3) in paragraph (3), by striking "a watershed's designation—" and all that follows through the period at the end and inserting "an area's designation if the Secretary finds that the area no longer contains actual and significant adverse water quality or habitat impacts related to agricultural production activities.".

SEC. 2002. FARMABLE WETLAND PROGRAM.

(a) EXTENSION.—Section 1231B(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3831b(a)(1)) is amended—

(1) by striking "2012" and inserting "2017"; and

(2) by striking "a program" and inserting "a farmable wetland program".

(b) ELIGIBLE ACREAGE.—Section 1231B(b)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3831b(b)(1)(B)) is amended by striking "flow from a row crop agriculture drainage system" and inserting "surface and subsurface flow from row crop agricultural production".

(c) ACREAGE LIMITATION.—Section 1231B(c)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3831b(c)(1)(B)) is amended by striking "1,000,000" and inserting "750,000".

(d) CLERICAL AMENDMENT.—The heading of section 1231B of the Food Security Act of 1985 (16 U.S.C. 3831b) is amended to read as follows: "**FARMABLE WETLAND PROGRAM**".

SEC. 2003. DUTIES OF OWNERS AND OPERATORS.

(a) LIMITATION ON HARVESTING, GRAZING, OR COMMERCIAL USE OF FORAGE.—Section 1232(a)(8) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(8)) is amended by striking "except that" and all that follows through the semicolon at the end of the paragraph and inserting "except as provided in subsection (b) or (c) of section 1233;".

(b) CONSERVATION PLAN REQUIREMENTS.—Subsection (b) of section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended to read as follows:

"(b) CONSERVATION PLANS.—The plan referred to in subsection (a)(1) shall set forth—

"(1) the conservation measures and practices to be carried out by the owner or operator during the term of the contract; and

"(2) the commercial use, if any, to be permitted on the land during the term.".

(c) RENTAL PAYMENT REDUCTION.—Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended by striking subsection (d).

SEC. 2004. DUTIES OF THE SECRETARY.

Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended to read as follows:

"SEC. 1233. DUTIES OF THE SECRETARY.

"(a) COST-SHARE AND RENTAL PAYMENTS.—In return for a contract entered into by an owner or operator under the conservation reserve program, the Secretary shall—

"(1) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest; and

"(2) for a period of years not in excess of the term of the contract, pay an annual rental payment in an amount necessary to compensate for—

"(A) the conversion of highly erodible cropland or other eligible lands normally devoted to the production of an agricultural commodity on a farm or ranch to a less intensive use;

"(B) the retirement of any base history that the owner or operator agrees to retire permanently; and

"(C) the development and management of grasslands for multiple natural resource conservation benefits, including to soil, water, air, and wildlife.

"(b) SPECIFIED ACTIVITIES PERMITTED.—The Secretary shall permit certain activities or commercial uses of land that is subject to a contract under the conservation reserve program in a manner that is consistent with a plan approved by the Secretary, as follows:

"(1) Harvesting, grazing, or other commercial use of the forage in response to a drought or other emergency created by a natural disaster, without any reduction in the rental rate.

"(2) Consistent with the conservation of soil, water quality, and wildlife habitat (including habitat during nesting seasons for birds in the area), and in exchange for a reduction of not less than 25 percent in the annual rental rate for the acres covered by the authorized activity—

"(A) managed harvesting and other commercial use (including the managed harvesting of biomass), except that in permitting managed harvesting, the Secretary, in coordination with the State technical committee—

"(i) shall develop appropriate vegetation management requirements; and

"(ii) shall identify periods during which managed harvesting may be conducted, such that the frequency is not more than once every three years;

"(B) routine grazing or prescribed grazing for the control of invasive species, except that in permitting such routine grazing or prescribed grazing, the Secretary, in coordination with the State technical committee—

"(i) shall develop appropriate vegetation management requirements and stocking rates for the land that are suitable for continued routine grazing; and

"(ii) shall identify the periods during which routine grazing may be conducted, such that the frequency is not more than once every two years, taking into consideration regional differences such as—

"(I) climate, soil type, and natural resources;

"(II) the number of years that should be required between routine grazing activities; and

"(III) how often during a year in which routine grazing is permitted that routine grazing should be allowed to occur; and

"(C) the installation of wind turbines and associated access, except that in permitting the installation of wind turbines, the Secretary shall determine the number and location of wind turbines that may be installed, taking into account—

"(i) the location, size, and other physical characteristics of the land;

"(ii) the extent to which the land contains wildlife and wildlife habitat; and

"(iii) the purposes of the conservation reserve program under this subchapter.

"(3) The intermittent and seasonal use of vegetative buffer practices incidental to agricultural production on lands adjacent to the buffer such that the permitted use does not destroy the permanent vegetative cover.

"(c) AUTHORIZED ACTIVITIES ON GRASSLANDS.—For eligible land described in section 1231(b)(3), the Secretary shall permit the following activities:

"(1) Common grazing practices, including maintenance and necessary cultural practices, on the land in a manner that is consistent with maintaining the viability of grassland, forb, and shrub species appropriate to that locality.

"(2) Haying, mowing, or harvesting for seed production, subject to appropriate restrictions during the nesting season for critical bird species in the area.

"(3) Fire presuppression, fire-related rehabilitation, and construction of fire breaks.

"(4) Grazing-related activities, such as fencing and livestock watering.

"(d) RESOURCE CONSERVING USE.—

"(1) IN GENERAL.—Beginning on the date that is 1 year before the date of termination of a contract under the program, the Secretary shall allow an owner or operator to make conservation and land improvements that facilitate maintaining protection of enrolled land after expiration of the contract.

"(2) CONSERVATION PLAN.—The Secretary shall require an owner or operator carrying out the activities described in paragraph (1) to develop and implement a conservation plan.

"(3) RE-ENROLLMENT PROHIBITED.—Land improved under paragraph (1) may not be re-enrolled in the conservation reserve program for 5 years after the date of termination of the contract.".

SEC. 2005. PAYMENTS.

(a) TREES, WINDBREAKS, SHELTERBELTS, AND WILDLIFE CORRIDORS.—Section 1234(b)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3834(b)(3)(A)) is amended—

(1) in clause (i), by inserting "and" after the semicolon;

(2) by striking clause (ii); and

(3) by redesignating clause (iii) as clause (ii).

(b) ANNUAL RENTAL PAYMENTS.—Section 1234(c) of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is amended—

(1) in paragraph (1), by inserting "or other eligible lands" after "highly erodible cropland" both places it appears; and

(2) by striking paragraph (2) and inserting the following new paragraph:

"(2) METHODS OF DETERMINATION.—

"(A) IN GENERAL.—The amounts payable to owners or operators in the form of rental payments under contracts entered into under this subchapter may be determined through—

"(i) the submission of bids for such contracts by owners and operators in such manner as the Secretary may prescribe; or

"(ii) such other means as the Secretary determines are appropriate.

"(B) GRASSLANDS.—In the case of eligible land described in section 1231(b)(3), the Secretary shall make annual payments in an amount that is not more than 75 percent of the grazing value of the land covered by the contract.".

(c) PAYMENT SCHEDULE.—Subsection (d) of section 1234 of the Food Security Act of 1985 (16 U.S.C. 3834) is amended to read as follows:

"(d) PAYMENT SCHEDULE.—

"(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subchapter shall be made in cash in such amount and on such time schedule as is agreed on and specified in the contract.

"(2) ADVANCE PAYMENT.—Payments under this subchapter may be made in advance of determination of performance.".

(d) PAYMENT LIMITATION.—Section 1234(f) of the Food Security Act of 1985 (16 U.S.C. 3834(f)) is amended—

(1) in paragraph (1), by striking ", including rental payments made in the form of in-kind commodities,";

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (2).

SEC. 2006. CONTRACT REQUIREMENTS.

(a) EARLY TERMINATION BY OWNER OR OPERATOR.—Section 1235(e) of the Food Security Act of 1985 (16 U.S.C. 3835(e)) is amended—

(1) in paragraph (1)(A)—

(A) by striking "The Secretary" and inserting "During fiscal year 2013, the Secretary"; and

(B) by striking "before January 1, 1995,";

(2) in paragraph (2), by striking subparagraph (C) and inserting the following:

"(C) Land devoted to hardwood trees.

"(D) Wildlife habitat, duck nesting habitat, pollinator habitat, upland bird habitat buffer, wildlife food plots, State acres for wildlife enhancement, shallow water areas for wildlife, and rare and declining habitat.

"(E) Farmable wetland and restored wetland.

"(F) Land that contains diversions, erosion control structures, flood control structures, contour grass strips, living snow fences, salinity reducing vegetation, cross wind trap strips, and sediment retention structures.

"(G) Land located within a federally-designated wellhead protection area.

"(H) Land that is covered by an easement under the conservation reserve program.

"(I) Land located within an average width, according to the applicable Natural Resources Conservation Service field office technical guide, of a perennial stream or permanent water body."; and

(3) in paragraph (3), by striking "60 days after the date on which the owner or operator submits the notice required under paragraph (1)(C)" and inserting "upon approval by the Secretary".

(b) TRANSITION OPTION FOR CERTAIN FARMERS OR RANCHERS.—Section 1235(f) of the Food Security Act of 1985 (16 U.S.C. 3835(f)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "DUTIES" and all that follows through "a beginning farmer" and inserting "TRANSITION TO COVERED FARMER OR RANCHER.—In the case of a contract modification approved in order to facilitate the transfer of land subject to a contract from a retired farmer or rancher to a beginning farmer";

(B) in subparagraph (A)(i), by inserting ", including preparing to plant an agricultural crop" after "improvements";

(C) in subparagraph (D), by striking "the farmer or rancher" and inserting "the covered farmer or rancher"; and

(D) in subparagraph (E), by striking "section 1001A(b)(3)(B)" and inserting "section 1001"; and

(2) in paragraph (2), by striking "requirement of section 1231(h)(4)(B)" and inserting "option pursuant to section 1234(c)(2)(A)(ii)".

(c) FINAL YEAR CONTRACT.—Section 1235 of the Food Security Act of 1985 (16 U.S.C. 3835) is amended by adding at the end the following new subsections:

"(g) FINAL YEAR OF CONTRACT.—The Secretary shall not consider an owner or operator to be in violation of a term or condition of the conservation reserve contract if—

"(1) during the year prior to expiration of the contract, the land is enrolled in the conservation stewardship program; and

"(2) the activity required under the conservation stewardship program pursuant to such enrollment is consistent with this subchapter.

"(h) LAND ENROLLED IN AGRICULTURAL CONSERVATION EASEMENT PROGRAM.—The Secretary may terminate or modify a contract entered into under this subchapter if eligible land that is subject to such contract is transferred into the agricultural conservation easement program under subtitle H.".

SEC. 2007. CONVERSION OF LAND SUBJECT TO CONTRACT TO OTHER CONSERVING USES.

Section 1235A of the Food Security Act of 1985 (16 U.S.C. 3835a) is repealed.

SEC. 2008. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subtitle shall take effect on October 1, 2012, except the amendment made by section 2001(d), which shall take effect on the date of the enactment of this Act.

(b) EFFECT ON EXISTING CONTRACTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this subtitle shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) UPDATING OF EXISTING CONTRACTS.—The Secretary shall permit an owner or operator of land subject to a contract entered into under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) before October 1, 2012, to update the contract to reflect the activities and uses of land under contract permitted under the terms and conditions

of section 1233(b) of that Act (as amended by section 2004), as determined appropriate by the Secretary.

Subtitle B—Conservation Stewardship Program

SEC. 2101. CONSERVATION STEWARDSHIP PROGRAM.

(a) REVISION OF CURRENT PROGRAM.—Subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) is amended to read as follows:

"Subchapter B—Conservation Stewardship Program

"SEC. 1238D. DEFINITIONS.

"In this subchapter:

"(1) AGRICULTURAL OPERATION.—The term 'agricultural operation' means all eligible land, whether or not contiguous, that is—

"(A) under the effective control of a producer at the time the producer enters into a contract under the program; and

"(B) operated with equipment, labor, management, and production or cultivation practices that are substantially separate from other agricultural operations, as determined by the Secretary.

"(2) CONSERVATION ACTIVITIES.—

"(A) IN GENERAL.—The term 'conservation activities' means conservation systems, practices, or management measures.

"(B) INCLUSIONS.—The term 'conservation activities' includes—

"(i) structural measures, vegetative measures, and land management measures, including agriculture drainage management systems, as determined by the Secretary; and

"(ii) planning needed to address a priority resource concern.

"(3) CONSERVATION STEWARDSHIP PLAN.—The term 'conservation stewardship plan' means a plan that—

"(A) identifies and inventories priority resource concerns;

"(B) establishes benchmark data and conservation objectives;

"(C) describes conservation activities to be implemented, managed, or improved; and

"(D) includes a schedule and evaluation plan for the planning, installation, and management of the new and existing conservation activities.

"(4) ELIGIBLE LAND.—

"(A) IN GENERAL.—The term 'eligible land' means—

"(i) private or tribal land on which agricultural commodities, livestock, or forest-related products are produced; and

"(ii) lands associated with the land described in clause (i) on which priority resource concerns could be addressed through a contract under the program.

"(B) INCLUSIONS.—The term 'eligible land' includes—

"(i) cropland;

"(ii) grassland;

"(iii) rangeland;

"(iv) pasture land;

"(v) nonindustrial private forest land; and

"(vi) other agricultural areas (including cropped woodland, marshes, and agricultural land used or capable of being used for the production of livestock), as determined by the Secretary.

"(5) PRIORITY RESOURCE CONCERN.—The term 'priority resource concern' means a natural resource concern or problem, as determined by the Secretary, that—

"(A) is identified at the national, State, or local level as a priority for a particular area of a State;

"(B) represents a significant concern in a State or region; and

"(C) is likely to be addressed successfully through the implementation of conservation activities under this program.

"(6) PROGRAM.—The term 'program' means the conservation stewardship program established by this subchapter.

"(7) STEWARDSHIP THRESHOLD.—The term 'stewardship threshold' means the level of management required, as determined by the Secretary, to conserve and improve the quality and condition of a natural resource.

"SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.

"(a) ESTABLISHMENT AND PURPOSE.—During each of fiscal years 2013 through 2017, the Secretary shall carry out a conservation stewardship program to encourage producers to address priority resource concerns in a comprehensive manner—

"(1) by undertaking additional conservation activities; and

"(2) by improving, maintaining, and managing existing conservation activities.

"(b) EXCLUSIONS.—

"(1) LAND ENROLLED IN OTHER CONSERVATION PROGRAMS.—Subject to paragraph (2), the following land (even if covered by the definition of eligible land) is not eligible for enrollment in the program:

"(A) Land enrolled in the conservation reserve program, unless—

"(i) the conservation reserve contract will expire at the end of the fiscal year in which the land is to be enrolled in the program; and

"(ii) conservation reserve program payments for land enrolled in the program cease before the first program payment is made to the applicant under this subchapter.

"(B) Land enrolled in a wetland easement through the agricultural conservation easement program.

"(C) Land enrolled in the conservation security program.

"(2) CONVERSION TO CROPLAND.—Eligible land used for crop production after October 1, 2012, that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding that date shall not be the basis for any payment under the program, unless the land does not meet the requirement because—

"(A) the land had previously been enrolled in the conservation reserve program;

"(B) the land has been maintained using long-term crop rotation practices, as determined by the Secretary; or

"(C) the land is incidental land needed for efficient operation of the farm or ranch, as determined by the Secretary.

"SEC. 1238F. STEWARDSHIP CONTRACTS.

"(a) SUBMISSION OF CONTRACT OFFERS.—To be eligible to participate in the conservation stewardship program, a producer shall submit to the Secretary a contract offer for the agricultural operation that—

"(1) demonstrates to the satisfaction of the Secretary that the producer, at the time of the contract offer, meets or exceeds the stewardship threshold for at least 2 priority resource concerns; and

"(2) would, at a minimum, meet or exceed the stewardship threshold for at least 1 additional priority resource concern by the end of the stewardship contract by—

"(A) installing and adopting additional conservation activities; and

"(B) improving, maintaining, and managing existing conservation activities across the entire agricultural operation in a manner that increases or extends the conservation benefits in place at the time the contract offer is accepted by the Secretary.

"(b) EVALUATION OF CONTRACT OFFERS.—

"(1) RANKING OF APPLICATIONS.—In evaluating contract offers submitted under subsection (a), the Secretary shall rank applications based on—

"(A) the level of conservation treatment on all applicable priority resource concerns at the time of application;

"(B) the degree to which the proposed conservation activities effectively increase conservation performance;

"(C) the number of applicable priority resource concerns proposed to be treated to meet or exceed the stewardship threshold by the end of the contract;

"(D) the extent to which other priority resource concerns will be addressed to meet or exceed the stewardship threshold by the end of the contract period;

"(E) the extent to which the actual and anticipated conservation benefits from the contract are provided at the least cost relative to other similarly beneficial contract offers; and

"(F) the extent to which priority resource concerns will be addressed when transitioning from the conservation reserve program to agricultural production.

"(2) PROHIBITION.—The Secretary may not assign a higher priority to any application because the applicant is willing to accept a lower payment than the applicant would otherwise be eligible to receive.

"(3) ADDITIONAL CRITERIA.—The Secretary may develop and use such additional criteria that the Secretary determines are necessary to ensure that national, State, and local priority resource concerns are effectively addressed.

"(c) ENTERING INTO CONTRACTS.—After a determination that a producer is eligible for the program under subsection (a), and a determination that the contract offer ranks sufficiently high under the evaluation criteria under subsection (b), the Secretary shall enter into a conservation stewardship contract with the producer to enroll the eligible land to be covered by the contract.

"(d) CONTRACT PROVISIONS.—

"(1) TERM.—A conservation stewardship contract shall be for a term of 5 years.

"(2) REQUIRED PROVISIONS.—The conservation stewardship contract of a producer shall—

"(A) state the amount of the payment the Secretary agrees to make to the producer for each year of the conservation stewardship contract under section 1238G(d);

"(B) require the producer—

"(i) to implement a conservation stewardship plan that describes the program purposes to be achieved through 1 or more conservation activities;

"(ii) to maintain and supply information as required by the Secretary to determine compliance with the conservation stewardship plan and any other requirements of the program; and

"(iii) not to conduct any activities on the agricultural operation that would tend to defeat the purposes of the program;

"(C) permit all economic uses of the eligible land that—

"(i) maintain the agricultural nature of the land; and

"(ii) are consistent with the conservation purposes of the conservation stewardship contract;

"(D) include a provision to ensure that a producer shall not be considered in violation of the contract for failure to comply with the contract due to circumstances beyond the control of the producer, including a disaster or related condition, as determined by the Secretary;

"(E) include provisions requiring that upon the violation of a term or condition of the contract at any time the producer has control of the land—

"(i) if the Secretary determines that the violation warrants termination of the contract—

"(I) the producer shall forfeit all rights to receive payments under the contract; and

"(II) the producer shall refund all or a portion of the payments received by the producer under the contract, including any interest on the payments, as determined by the Secretary; or

"(ii) if the Secretary determines that the violation does not warrant termination of the contract, the producer shall refund or accept adjustments to the payments provided to the producer, as the Secretary determines to be appropriate;

"(F) include provisions in accordance with paragraphs (3) and (4) of this section; and

"(G) include any additional provisions the Secretary determines are necessary to carry out the program.

"(3) CHANGE OF INTEREST IN LAND SUBJECT TO A CONTRACT.—

"(A) IN GENERAL.—At the time of application, a producer shall have control of the eligible land to be enrolled in the program. Except as provided in subparagraph (B), a change in the interest of a producer in eligible land covered by a contract under the program shall result in the termination of the contract with regard to that land.

"(B) TRANSFER OF DUTIES AND RIGHTS.—Subparagraph (A) shall not apply if—

"(i) within a reasonable period of time (as determined by the Secretary) after the date of the change in the interest in eligible land covered by a contract under the program, the transferee of the land provides written notice to the Secretary that all duties and rights under the contract have been transferred to, and assumed by, the transferee for the portion of the land transferred;

"(ii) the transferee meets the eligibility requirements of the program; and

"(iii) the Secretary approves the transfer of all duties and rights under the contract.

"(4) MODIFICATION AND TERMINATION OF CONTRACTS.—

"(A) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract with a producer if—

"(i) the producer agrees to the modification or termination; and

"(ii) the Secretary determines that the modification or termination is in the public interest.

"(B) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract if the Secretary determines that the producer violated the contract.

"(5) REPAYMENT.—If a contract is terminated, the Secretary may, consistent with the purposes of the program—

"(A) allow the producer to retain payments already received under the contract; or

"(B) require repayment, in whole or in part, of payments received and assess liquidated damages.

"(e) CONTRACT RENEWAL.—At the end of the initial 5-year contract period, the Secretary may allow the producer to renew the contract for 1 additional 5-year period if the producer—

"(1) demonstrates compliance with the terms of the initial contract;

"(2) agrees to adopt and continue to integrate conservation activities across the entire agricultural operation, as determined by the Secretary; and

"(3) agrees, by the end of the contract period—

"(A) to meet the stewardship threshold of at least two additional priority resource concerns on the agricultural operation; or

"(B) to exceed the stewardship threshold of two existing priority resource concerns that are specified by the Secretary in the initial contract.

"SEC. 1238G. DUTIES OF THE SECRETARY.

"(a) IN GENERAL.—To achieve the conservation goals of a contract under the conservation stewardship program, the Secretary shall—

"(1) make the program available to eligible producers on a continuous enrollment basis with 1 or more ranking periods, one of which shall occur in the first quarter of each fiscal year;

"(2) identify not less than 5 priority resource concerns in a particular watershed or other appropriate region or area within a State; and

"(3) establish a science-based stewardship threshold for each priority resource concern identified under paragraph (2).

"(b) ALLOCATION TO STATES.—The Secretary shall allocate acres to States for enrollment, based—

"(1) primarily on each State's proportion of eligible land to the total acreage of eligible land in all States; and

"(2) also on consideration of—

"(A) the extent and magnitude of the conservation needs associated with agricultural production in each State;

"(B) the degree to which implementation of the program in the State is, or will be, effective in helping producers address those needs; and

"(C) other considerations to achieve equitable geographic distribution of funds, as determined by the Secretary.

"(c) ACREAGE ENROLLMENT LIMITATION.—During the period beginning on October 1, 2012, and ending on September 30, 2021, the Secretary shall, to the maximum extent practicable—

"(1) enroll in the program an additional 9,000,000 acres for each fiscal year; and

"(2) manage the program to achieve a national average rate of $18 per acre, which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program.

"(d) CONSERVATION STEWARDSHIP PAYMENTS.—

"(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide annual payments under the program to compensate the producer for—

"(A) installing and adopting additional conservation activities; and

"(B) improving, maintaining, and managing conservation activities in place at the agricultural operation of the producer at the time the contract offer is accepted by the Secretary.

"(2) PAYMENT AMOUNT.—The amount of the conservation stewardship annual payment shall be determined by the Secretary and based, to the maximum extent practicable, on the following factors:

"(A) Costs incurred by the producer associated with planning, design, materials, installation, labor, management, maintenance, or training.

"(B) Income forgone by the producer.

"(C) Expected conservation benefits.

"(D) The extent to which priority resource concerns will be addressed through the installation and adoption of conservation activities on the agricultural operation.

"(E) The level of stewardship in place at the time of application and maintained over the term of the contract.

"(F) The degree to which the conservation activities will be integrated across the entire agricultural operation for all applicable priority resource concerns over the term of the contract.

"(G) Such other factors as determined appropriate by the Secretary.

"(3) EXCLUSIONS.—A payment to a producer under this subsection shall not be provided for—

"(A) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations; or

"(B) conservation activities for which there is no cost incurred or income forgone to the producer.

"(4) DELIVERY OF PAYMENTS.—In making payments under this subsection, the Secretary shall, to the extent practicable—

"(A) prorate conservation performance over the term of the contract so as to accommodate, to the extent practicable, producers earning equal annual payments in each fiscal year; and

"(B) make payments as soon as practicable after October 1 of each fiscal year for activities carried out in the previous fiscal year.

"(e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-CONSERVING CROP ROTATIONS.—

"(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide additional payments to producers that, in participating in the program, agree to adopt or improve resource-conserving crop rotations to achieve beneficial crop rotations as appropriate for the eligible land of the producers.

"(2) BENEFICIAL CROP ROTATIONS.—The Secretary shall determine whether a resource-conserving crop rotation is a beneficial crop rotation eligible for additional payments under paragraph (1) based on whether the resource-conserving crop rotation is designed to provide natural resource conservation and production benefits.

"(3) ELIGIBILITY.—To be eligible to receive a payment described in paragraph (1), a producer shall agree to adopt and maintain beneficial resource-conserving crop rotations for the term of the contract.

"(4) RESOURCE-CONSERVING CROP ROTATION.—In this subsection, the term 'resource-conserving crop rotation' means a crop rotation that—

"(A) includes at least 1 resource conserving crop (as defined by the Secretary);

"(B) reduces erosion;

"(C) improves soil fertility and tilth;

"(D) interrupts pest cycles; and

"(E) in applicable areas, reduces depletion of soil moisture or otherwise reduces the need for irrigation.

"(f) PAYMENT LIMITATIONS.—A person or legal entity may not receive, directly or indirectly, payments under the program that, in the aggregate, exceed $200,000 under all contracts entered into during fiscal years 2013 through 2017, excluding funding arrangements with Indian tribes, regardless of the number of contracts entered into under the program by the person or legal entity.

"(g) SPECIALTY CROP AND ORGANIC PRODUCERS.—The Secretary shall ensure that outreach and technical assistance are available, and program specifications are appropriate to enable specialty crop and organic producers to participate in the program.

"(h) COORDINATION WITH ORGANIC CERTIFICATION.—The Secretary shall establish a transparent means by which producers may initiate organic certification under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.) while participating in a contract under the program.

"(i) REGULATIONS.—The Secretary shall promulgate regulations that—

"(1) prescribe such other rules as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under subsection (f); and

"(2) otherwise enable the Secretary to carry out the program.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

(c) EFFECT ON EXISTING CONTRACTS.—

(1) IN GENERAL.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter B of chapter 2 of subtitle D of title XII of the Food Security

Act of 1985 (16 U.S.C. 3838d et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) CONSERVATION STEWARDSHIP PROGRAM.—Funds made available under section 1241(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(4)) (as amended by section 2601(a) of this title) may be used to administer and make payments to program participants that enrolled into contracts during any of fiscal years 2009 through 2012.

Subtitle C—Environmental Quality Incentives Program

SEC. 2201. PURPOSES.

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended—

(1) in paragraph (3)—

(A) in subparagraph (A), by striking "and" at the end;

(B) by redesignating subparagraph (B) as subparagraph (C) and, in such subparagraph, by inserting "and" after the semicolon; and

(C) by inserting after subparagraph (A) the following new subparagraph: "(B) developing and improving wildlife habitat; and";

(2) in paragraph (4), by striking "; and" and inserting a period; and

(3) by striking paragraph (5).

SEC. 2202. ESTABLISHMENT AND ADMINISTRATION.

Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa–2) is amended—

(1) in subsection (a), by striking "2014" and inserting "2017";

(2) in subsection (b), by striking paragraph (2) and inserting the following new paragraph:

"(2) TERM.—A contract under the program shall have a term that does not exceed 10 years.";

(3) in subsection (d)(4)—

(A) in subparagraph (A), in the matter preceding clause (i), by inserting ", veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))),'' before "or a beginning farmer or rancher"; and

(B) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) ADVANCE PAYMENTS.—

"(i) IN GENERAL.—Not more than 50 percent of the amount determined under subparagraph (A) may be provided in advance for the purpose of purchasing materials or contracting.

"(ii) RETURN OF FUNDS.—If funds provided in advance are not expended during the 90-day period beginning on the date of receipt of the funds, the funds shall be returned within a reasonable time frame, as determined by the Secretary.";

(4) by striking subsection (f) and inserting the following new subsection:

"(f) ALLOCATION OF FUNDING.—

"(1) LIVESTOCK.—For each of fiscal years 2013 through 2017, at least 60 percent of the funds made available for payments under the program shall be targeted at practices relating to livestock production.

"(2) WILDLIFE HABITAT.—For each of fiscal years 2013 through 2017, 5 percent of the funds made available for payments under the program shall be targeted at practices benefitting wildlife habitat.";

(5) in subsection (g)—

(A) in the subsection heading, by striking "FEDERALLY RECOGNIZED NATIVE AMERICAN INDIAN TRIBES AND ALASKA NATIVE CORPORATIONS" and inserting "INDIAN TRIBES";

(B) by striking "federally recognized Native American Indian Tribes and Alaska Native Corporations (including their affiliated membership organizations)" and inserting "Indian tribes"; and

(C) by striking "or Native Corporation"; and

(6) by adding at the end the following:

"(j) WILDLIFE HABITAT INCENTIVE PRACTICE.—The Secretary shall provide payments under the program for conservation practices that support the restoration, development, and improvement of wildlife habitat on eligible land, including—

"(1) upland wildlife habitat;

"(2) wetland wildlife habitat;

"(3) habitat for threatened and endangered species;

"(4) fish habitat;

"(5) habitat on pivot corners and other irregular areas of a field; and

"(6) other types of wildlife habitat, as determined appropriate by the Secretary.".

SEC. 2203. EVALUATION OF APPLICATIONS.

Section 1240C(b) of the Food Security Act of 1985 (16 U.S.C. 3839aa–3(b)) is amended—

(1) in paragraph (1), by striking "environmental" and inserting "conservation"; and

(2) in paragraph (3), by striking "purpose of the environmental quality incentives program specified in section 1240(1)" and inserting "purposes of the program".

SEC. 2204. DUTIES OF PRODUCERS.

Section 1240D(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–4(2)) is amended by striking "farm, ranch, or forest" and inserting "enrolled".

SEC. 2205. LIMITATION ON PAYMENTS.

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended to read as follows:

"SEC. 1240G. LIMITATION ON PAYMENTS.

"A person or legal entity may not receive, directly or indirectly, cost share or incentive payments under this chapter that, in aggregate, exceed $450,000 for all contracts entered into under this chapter by the person or legal entity during the period of fiscal years 2013 through 2017, regardless of the number of contracts entered into under this chapter by the person or legal entity.".

SEC. 2206. CONSERVATION INNOVATION GRANTS AND PAYMENTS.

Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (C), by striking "; and" and inserting a semicolon;

(B) in subparagraph (D), by striking the period and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(E) facilitate on-farm conservation research and demonstration activities; and

"(F) facilitate pilot testing of new technologies or innovative conservation practices."; and

(2) by striking subsection (b) and inserting the following new subsection:

"(b) REPORTING.—Not later than December 31, 2013, and every two years thereafter, the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report on the status of projects funded under this section, including—

"(1) funding awarded;

"(2) project results; and

"(3) incorporation of project findings, such as new technology and innovative approaches, into the conservation efforts implemented by the Secretary.".

SEC. 2207. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subtitle shall take effect on October 1, 2012.

(b) EFFECT ON EXISTING CONTRACTS.—The amendments made by this subtitle shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

Subtitle D—Agricultural Conservation Easement Program

SEC. 2301. AGRICULTURAL CONSERVATION EASEMENT PROGRAM.

(a) ESTABLISHMENT.—Title XII of the Food Security Act of 1985 is amended by adding at the end the following new subtitle:

"Subtitle H—Agricultural Conservation Easement Program

"SEC. 1265. ESTABLISHMENT AND PURPOSES.

"(a) ESTABLISHMENT.—The Secretary shall establish an agricultural conservation easement program for the conservation of eligible land and natural resources through easements or other interests in land.

"(b) PURPOSES.—The purposes of the program are to—

"(1) combine the purposes and coordinate the functions of the wetlands reserve program established under section 1237, the grassland reserve program established under section 1238N, and the farmland protection program established under section 1238I, as such sections were in effect on September 30, 2012;

"(2) restore, protect, and enhance wetlands on eligible land;

"(3) protect the agricultural use and related conservation values of eligible land by limiting nonagricultural uses of that land; and

"(4) protect grazing uses and related conservation values by restoring and conserving eligible land.

"SEC. 1265A. DEFINITIONS.

"In this subtitle:

"(1) AGRICULTURAL LAND EASEMENT.—The term 'agricultural land easement' means an easement or other interest in eligible land that—

"(A) is conveyed for the purpose of protecting natural resources and the agricultural nature of the land; and

"(B) permits the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan, as approved by the Secretary.

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an agency of State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law); or

"(B) an organization that is—

"(i) organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

"(ii) an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; or

"(iii) described in—

"(I) paragraph (1) or (2) of section 509(a) of that Code; or

"(II) section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

"(3) ELIGIBLE LAND.—The term 'eligible land' means private or tribal land that is—

"(A) in the case of an agricultural land easement, agricultural land, including land on a farm or ranch—

"(i) that is subject to a pending offer for purchase of an agricultural land easement from an eligible entity;

"(ii) that—

"(I) has prime, unique, or other productive soil;

"(II) contains historical or archaeological resources; or

"(III) the protection of which will further a State or local policy consistent with the purposes of the program; and

"(iii) that is—

"(I) cropland;

"(II) rangeland;

"(III) grassland or land that contains forbs, or shrubland for which grazing is the predominate use;

"(IV) pastureland; or

"(V) nonindustrial private forest land that contributes to the economic viability of an offered parcel or serves as a buffer to protect such land from development;

"(B) in the case of a wetland easement, a wetland or related area, including—

"(i) farmed or converted wetlands, together with adjacent land that is functionally dependent on that land, if the Secretary determines it—

"(I) is likely to be successfully restored in a cost effective manner; and

"(II) will maximize the wildlife benefits and wetland functions and values, as determined by the Secretary in consultation with the Secretary of the Interior at the local level;

"(ii) cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of—

"(I) a closed basin lake and adjacent land that is functionally dependent upon it, if the State or other entity is willing to provide 50 percent share of the cost of an easement;

"(II) a pothole and adjacent land that is functionally dependent on it;

"(iii) farmed wetlands and adjoining lands that—

"(I) are enrolled in the conservation reserve program;

"(II) have the highest wetland functions and values, as determined by the Secretary; and

"(III) are likely to return to production after they leave the conservation reserve program;

"(iv) riparian areas that link wetlands that are protected by easements or some other device that achieves the same purpose as an easement; or

"(v) other wetlands of an owner that would not otherwise be eligible, if the Secretary determines that the inclusion of such wetlands in a wetland easement would significantly add to the functional value of the easement; or

"(C) in the case of either an agricultural land easement or wetland easement, other land that is incidental to land described in subparagraph (A) or (B), if the Secretary determines that it is necessary for the efficient administration of the easements under this program.

"(4) PROGRAM.—The term 'program' means the agricultural conservation easement program established by this subtitle.

"(5) WETLAND EASEMENT.—The term 'wetland easement' means a reserved interest in eligible land that—

"(A) is defined and delineated in a deed; and

"(B) stipulates—

"(i) the rights, title, and interests in land conveyed to the Secretary; and

"(ii) the rights, title, and interests in land that are reserved to the landowner.

"SEC. 1265B. AGRICULTURAL LAND EASEMENTS.

"(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall facilitate and provide funding for—

"(1) the purchase by eligible entities of agricultural land easements and other interests in eligible land; and

"(2) technical assistance to provide for the conservation of natural resources pursuant to an agricultural land easement plan.

"(b) COST-SHARE ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall protect the agricultural use, including grazing, and related conservation values of eligible land through cost-share assistance to eligible entities for purchasing agricultural land easements.

"(2) SCOPE OF ASSISTANCE AVAILABLE.—

"(A) FEDERAL SHARE.—An agreement described in paragraph (4) shall provide for a Federal share determined by the Secretary of an amount not to exceed 50 percent of the fair market value of the agricultural land easement or other interest in land, as determined by the Secretary using—

"(i) the Uniform Standards of Professional Appraisal Practice;

"(ii) an area-wide market analysis or survey; or

"(iii) another industry-approved method.

"(B) NON-FEDERAL SHARE.—

"(i) IN GENERAL.—Under the agreement, the eligible entity shall provide a share that is at least equivalent to that provided by the Secretary.

"(ii) SOURCE OF CONTRIBUTION.—An eligible entity may include as part of its share a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the private landowner if the eligible entity contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by the Secretary.

"(C) EXCEPTION.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide an amount not to exceed 75 percent of the fair market value of the agricultural land easement.

"(3) EVALUATION AND RANKING OF APPLICATIONS.—

"(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

"(B) CONSIDERATIONS.—In establishing the criteria, the Secretary shall emphasize support for—

"(i) protecting agricultural uses and related conservation values of the land; and

"(ii) maximizing the protection of areas devoted to agricultural use.

"(C) BIDDING DOWN.—If the Secretary determines that 2 or more applications for cost-share assistance are comparable in achieving the purpose of the program, the Secretary shall not assign a higher priority to any of those applications solely on the basis of lesser cost to the program.

"(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

"(A) IN GENERAL.—The Secretary shall enter into agreements with eligible entities to stipulate the terms and conditions under which the eligible entity is permitted to use cost-share assistance provided under this section.

"(B) LENGTH OF AGREEMENTS.—An agreement shall be for a term that is—

"(i) in the case of an eligible entity certified under the process described in paragraph (5), a minimum of five years; and

"(ii) for all other eligible entities, at least three, but not more than five years.

"(C) MINIMUM TERMS AND CONDITIONS.—An eligible entity shall be authorized to use its own terms and conditions for agricultural land easements so long as the Secretary determines such terms and conditions—

"(i) are consistent with the purposes of the program;

"(ii) permit effective enforcement of the conservation purposes of such easements;

"(iii) include a right of enforcement for the Secretary, that may be used only if the terms of the easement are not enforced by the holder of the easement;

"(iv) subject the land in which an interest is purchased to an agricultural land easement plan that—

"(I) describes the activities which promote the long-term viability of the land to meet the purposes for which the easement was acquired;

"(II) requires the management of grasslands according to a grasslands management plan; and

"(III) includes a conservation plan, where appropriate, and requires, at the option of the Secretary, the conversion of highly erodible cropland to less intensive uses; and

"(v) include a limit on the impervious surfaces to be allowed that is consistent with the agricultural activities to be conducted.

"(D) SUBSTITUTION OF QUALIFIED PROJECTS.—An agreement shall allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of the proposed substitution.

"(E) EFFECT OF VIOLATION.—If a violation occurs of a term or condition of an agreement under this subsection—

"(i) the Secretary may terminate the agreement; and

"(ii) the Secretary may require the eligible entity to refund all or part of any payments received by the entity under the program, with interest on the payments as determined appropriate by the Secretary.

"(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

"(A) CERTIFICATION PROCESS.—The Secretary shall establish a process under which the Secretary may—

"(i) directly certify eligible entities that meet established criteria;

"(ii) enter into long-term agreements with certified eligible entities; and

"(iii) accept proposals for cost-share assistance for the purchase of agricultural land easements throughout the duration of such agreements.

"(B) CERTIFICATION CRITERIA.—In order to be certified, an eligible entity shall demonstrate to the Secretary that the entity will maintain, at a minimum, for the duration of the agreement—

"(i) a plan for administering easements that is consistent with the purpose of this subtitle;

"(ii) the capacity and resources to monitor and enforce agricultural land easements; and

"(iii) policies and procedures to ensure—

"(I) the long-term integrity of agricultural land easements on eligible land;

"(II) timely completion of acquisitions of such easements; and

"(III) timely and complete evaluation and reporting to the Secretary on the use of funds provided under the program.

"(C) REVIEW AND REVISION.—

"(i) REVIEW.—The Secretary shall conduct a review of eligible entities certified under subparagraph (A) every three years to ensure that such entities are meeting the criteria established under subparagraph (B).

"(ii) REVOCATION.—If the Secretary finds that the certified eligible entity no longer meets the criteria established under subparagraph (B), the Secretary may—

"(I) allow the certified eligible entity a specified period of time, at a minimum 180 days, in which to take such actions as may be necessary to meet the criteria; and

"(II) revoke the certification of the eligible entity, if after the specified period of time, the certified eligible entity does not meet such criteria.

"(c) METHOD OF ENROLLMENT.—The Secretary shall enroll eligible land under this section through the use of—

"(1) permanent easements; or

"(2) easements for the maximum duration allowed under applicable State laws.

"(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance, if requested, to assist in—

"(1) compliance with the terms and conditions of easements; and

"(2) implementation of an agricultural land easement plan.

"SEC. 1265C. WETLAND EASEMENTS.

"(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall provide assistance to owners of eligible land to restore, protect, and enhance wetlands through—

"(1) wetland easements and related wetland easement plans; and

"(2) technical assistance.

"(b) EASEMENTS.—

"(1) METHOD OF ENROLLMENT.—The Secretary shall enroll eligible land under this section through the use of—

"(A) 30-year easements;

"(B) permanent easements;

"(C) easements for the maximum duration allowed under applicable State laws; or

"(D) as an option for Indian tribes only, 30-year contracts (which shall be considered to be 30-year easements for the purposes of this subtitle).

"(2) LIMITATIONS.—

"(A) INELIGIBLE LAND.—The Secretary may not acquire easements on—

"(i) land established to trees under the conservation reserve program, except in cases where the Secretary determines it would further the purposes of the program; and

"(ii) farmed wetlands or converted wetlands where the conversion was not commenced prior to December 23, 1985.

"(B) CHANGES IN OWNERSHIP.—No wetland easement shall be created on land that has changed ownership during the preceding 24-month period unless—

"(i) the new ownership was acquired by will or succession as a result of the death of the previous owner;

"(ii)(I) the ownership change occurred because of foreclosure on the land; and

"(II) immediately before the foreclosure, the owner of the land exercises a right of redemption from the mortgage holder in accordance with State law; or

"(iii) the Secretary determines that the land was acquired under circumstances that give adequate assurances that such land was not acquired for the purposes of placing it in the program.

"(3) EVALUATION AND RANKING OF OFFERS.—

"(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

"(B) CONSIDERATIONS.—When evaluating offers from landowners, the Secretary may consider—

"(i) the conservation benefits of obtaining a wetland easement, including the potential environmental benefits if the land was removed from agricultural production;

"(ii) the cost-effectiveness of each wetland easement, so as to maximize the environmental benefits per dollar expended;

"(iii) whether the landowner or another person is offering to contribute financially to the cost of the wetland easement to leverage Federal funds; and

"(iv) such other factors as the Secretary determines are necessary to carry out the purposes of the program.

"(C) PRIORITY.—The Secretary shall place priority on acquiring wetland easements based on the value of the wetland easement for protecting and enhancing habitat for migratory birds and other wildlife.

"(4) AGREEMENT.—To be eligible to place eligible land into the program through a wetland easement, the owner of such land shall enter into an agreement with the Secretary to—

"(A) grant an easement on such land to the Secretary;

"(B) authorize the implementation of a wetland easement plan developed for the eligible land under subsection (f);

"(C) create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to;

"(D) provide a written statement of consent to such easement signed by those holding a security interest in the land;

"(E) comply with the terms and conditions of the easement and any related agreements; and

"(F) permanently retire any existing base history for the land on which the easement has been obtained.

"(5) TERMS AND CONDITIONS OF EASEMENT.—

"(A) IN GENERAL.—A wetland easement shall include terms and conditions that—

"(i) permit—

"(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and

"(II) owners to control public access on the easement areas while identifying access routes to be used for restoration activities and management and easement monitoring;

"(ii) prohibit—

"(I) the alteration of wildlife habitat and other natural features of such land, unless specifically authorized by the Secretary;

"(II) the spraying of such land with chemicals or the mowing of such land, except where such spraying or mowing is authorized by the Secretary or is necessary—

"(aa) to comply with Federal or State noxious weed control laws;

"(bb) to comply with a Federal or State emergency pest treatment program; or

"(cc) to meet habitat needs of specific wildlife species;

"(III) any activities to be carried out on the owner's or successor's land that is immediately adjacent to, and functionally related to, the land that is subject to the easement if such activities will alter, degrade, or otherwise diminish the functional value of the eligible land; and

"(IV) the adoption of any other practice that would tend to defeat the purposes of the program, as determined by the Secretary;

"(iii) provide for the efficient and effective establishment of wildlife functions and values; and

"(iv) include such additional provisions as the Secretary determines are desirable to carry out the program or facilitate the practical administration thereof.

"(B) VIOLATION.—On the violation of the terms or conditions of a wetland easement, the wetland easement shall remain in force and the Secretary may require the owner to refund all or part of any payments received by the owner under the program, together with interest thereon as determined appropriate by the Secretary.

"(C) COMPATIBLE USES.—Land subject to a wetland easement may be used for compatible economic uses, including such activities as hunting and fishing, managed timber harvest, or periodic haying or grazing, if such use

is specifically permitted by the wetland easement plan developed for the land under subsection (f) and is consistent with the long-term protection and enhancement of the wetland resources for which the easement was established.

"(D) RESERVATION OF GRAZING RIGHTS.—The Secretary may include in the terms and conditions of a wetland easement a provision under which the owner reserves grazing rights if—

"(i) the Secretary determines that the reservation and use of the grazing rights—

"(I) is compatible with the land subject to the easement;

"(II) is consistent with the historical natural uses of the land and the long-term protection and enhancement goals for which the easement was established; and

"(III) complies with the wetland easement plan developed for the land under subsection (f); and

"(ii) the agreement provides for a commensurate reduction in the easement payment to account for the grazing value, as determined by the Secretary.

"(6) COMPENSATION.—

"(A) DETERMINATION.—

"(i) PERMANENT EASEMENTS.—The Secretary shall pay as compensation for a permanent wetland easement acquired under the program an amount necessary to encourage enrollment in the program, based on the lowest of—

"(I) the fair market value of the land, as determined by the Secretary, using the Uniform Standards of Professional Appraisal Practice or an area-wide market analysis or survey;

"(II) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or

"(III) the offer made by the landowner.

"(ii) 30-YEAR EASEMENTS.—Compensation for a 30-year wetland easement shall be not less than 50 percent, but not more than 75 percent, of the compensation that would be paid for a permanent wetland easement.

"(B) FORM OF PAYMENT.—Compensation for a wetland easement shall be provided by the Secretary in the form of a cash payment, in an amount determined under subparagraph (A).

"(C) PAYMENT SCHEDULE.—

"(i) EASEMENTS VALUED AT $500,000 OR LESS.—For wetland easements valued at $500,000 or less, the Secretary may provide easement payments in not more than 10 annual payments.

"(ii) EASEMENTS VALUED AT MORE THAN $500,000.—For wetland easements valued at more than $500,000, the Secretary may provide easement payments in at least 5, but not more than 10 annual payments, except that, if the Secretary determines it would further the purposes of the program, the Secretary may make a lump sum payment for such an easement.

"(c) EASEMENT RESTORATION.—

"(1) IN GENERAL.—The Secretary shall provide financial assistance to owners of eligible land to carry out the establishment of conservation measures and practices and protect wetland functions and values, including necessary maintenance activities, as set forth in a wetland easement plan developed for the eligible land under subsection (f).

"(2) PAYMENTS.—The Secretary shall—

"(A) in the case of a permanent wetland easement, pay an amount that is not less than 75 percent, but not more than 100 percent, of the eligible costs, as determined by the Secretary; and

"(B) in the case of a 30-year wetland easement, pay an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs, as determined by the Secretary.

"(d) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall assist owners in complying with the terms and conditions of wetland easements.

"(2) CONTRACTS OR AGREEMENTS.—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, non-governmental organization, or Indian tribe to carry out necessary restoration, enhancement, or maintenance of a wetland easement if the Secretary determines that the contract or agreement will advance the purposes of the program.

"(e) WETLAND ENHANCEMENT OPTION.—The Secretary may enter into 1 or more agreements with a State (including a political subdivision or agency of a State), nongovernmental organization, or Indian tribe to carry out a special wetland enhancement option that the Secretary determines would advance the purposes of program.

"(f) ADMINISTRATION.—

"(1) WETLAND EASEMENT PLAN.—The Secretary shall develop a wetland easement plan for eligible lands subject to a wetland easement, which shall include practices and activities necessary to restore, protect, enhance, and maintain the enrolled lands.

"(2) DELEGATION OF EASEMENT ADMINISTRATION.—The Secretary may delegate—

"(A) any of the easement management, monitoring, and enforcement responsibilities of the Secretary to other Federal or State agencies that have the appropriate authority, expertise, and resources necessary to carry out such delegated responsibilities; and

"(B) any of the easement management responsibilities of the Secretary to other conservation organizations if the Secretary determines the organization has the appropriate expertise and resources.

"(3) PAYMENTS.—

"(A) TIMING OF PAYMENTS.—The Secretary shall provide payment for obligations incurred by the Secretary under this section—

"(i) with respect to any easement restoration obligation under subsection (c), as soon as possible after the obligation is incurred; and

"(ii) with respect to any annual easement payment obligation incurred by the Secretary, as soon as possible after October 1 of each calendar year.

"(B) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this section dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person or entity who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

"SEC. 1265D. ADMINISTRATION.

"(a) INELIGIBLE LAND.—The Secretary may not use program funds for the purposes of acquiring an easement on—

"(1) lands owned by an agency of the United States, other than land held in trust for Indian tribes;

"(2) lands owned in fee title by a State, including an agency or a subdivision of a State, or a unit of local government;

"(3) land subject to an easement or deed restriction which, as determined by the Secretary, provides similar protection as would be provided by enrollment in the program; or

"(4) lands where the purposes of the program would be undermined due to on-site or off-site conditions, such as risk of hazardous substances, proposed or existing rights of way, infrastructure development, or adjacent land uses.

"(b) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to land that is currently enrolled in the conservation reserve program in a contract that is set to expire within 1 year and—

"(1) in the case of an agricultural land easement, is grassland that would benefit from protection under a long-term easement; and

"(2) in the case of a wetland easement, is a wetland or related area with the highest functions and value and is likely to return to production after the land leaves the conservation reserve program.

"(c) SUBORDINATION, EXCHANGE, MODIFICATION, AND TERMINATION.—

"(1) IN GENERAL.—The Secretary may subordinate, exchange, modify, or terminate any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—

"(A) it is in the Federal Government's interest to subordinate, exchange, modify, or terminate the interest in land;

"(B) the subordination, exchange, modification, or termination action—

"(i) will address a compelling public need for which there is no practicable alternative; or

"(ii) such action will further the practical administration of the program; and

"(C) the subordination, exchange, modification, or termination action will result in comparable conservation value and equivalent or greater economic value to the United States.

"(2) CONSULTATION.—The Secretary shall work with the owner, and eligible entity if applicable, to address any subordination, exchange, modification, or termination of the interest, or portion of such interest, in land.

"(3) NOTICE.—At least 90 days before taking any termination action described in paragraph (1), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

"(d) LAND ENROLLED IN CONSERVATION RESERVE PROGRAM.—The Secretary may terminate or modify a contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program.

"(e) ALLOCATION OF FUNDS FOR AGRICULTURAL LAND EASEMENTS.—Of the funds made available under section 1241 to carry out the program for a fiscal year, the Secretary shall, to the extent practicable, use for agricultural land easements—

"(1) no less than 40 percent in each of fiscal years 2013 through 2016; and

"(2) no less than 50 percent in fiscal year 2017.".

(b) COMPLIANCE WITH CERTAIN REQUIREMENTS.—Before an eligible entity or owner of eligible land may receive assistance under subtitle H of title XII of the Food Security Act of 1985, the eligible entity or person shall agree, during the crop year for which the assistance is provided and in exchange for the assistance—

(1) to comply with applicable conservation requirements under subtitle B of title XII of that Act (16 U.S.C. 3811 et seq.); and

(2) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.).

(c) CROSS REFERENCE; CALCULATION.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting "and" at the end of subparagraph (A);

(ii) by striking "and" at the end of subparagraph (B); and

(iii) by striking subparagraph (C);

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following new subparagraph:

"(2) the agricultural conservation easement program established under subtitle H; and"; and

(2) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "programs administered under subchapters B and C of chapter 1 of subtitle D" and inserting "conservation reserve program established under subchapter B of chapter 1 of subtitle D and wetland easements under section 1265C"; and

(ii) in subparagraph (B), by striking "an easement acquired under subchapter C of chapter 1 of subtitle D" and inserting "a wetland easement under section 1265C"; and

(B) by adding at the end the following new paragraph:

"(5) CALCULATION.—In calculating the percentages described in paragraph (1), the Secretary shall include any acreage that was included in calculations of percentages made under such paragraph, as in effect on September 30, 2012, and that remains enrolled when the calculation is made after that date under paragraph (1).".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

Subtitle E—Regional Conservation Partnership Program

SEC. 2401. REGIONAL CONSERVATION PARTNERSHIP PROGRAM.

(a) IN GENERAL.—Title XII of the Food Security Act of 1985 is amended by inserting after subtitle H, as added by section 2301, the following new subtitle:

"Subtitle I—Regional Conservation Partnership Program

"SEC. 1271. ESTABLISHMENT AND PURPOSES.

"(a) ESTABLISHMENT.—The Secretary shall establish a regional conservation partnership program to implement eligible activities on eligible land through—

"(1) partnership agreements with eligible partners; and

"(2) contracts with producers.

"(b) PURPOSES.—The purposes of the program are as follows:

"(1) To use covered programs to accomplish purposes and functions similar to those of the following programs, as in effect on September 30, 2012:

"(A) The agricultural water enhancement program established under section 1240I.

"(B) The Chesapeake Bay watershed program established under section 1240Q.

"(C) The cooperative conservation partnership initiative established under section 1243.

"(D) The Great Lakes basin program for soil erosion and sediment control established under section 1240P.

"(2) To further the conservation, restoration, and sustainable use of soil, water, wildlife, and related natural resources on eligible land on a regional or watershed scale.

"(3) To encourage eligible partners to cooperate with producers in—

"(A) meeting or avoiding the need for national, State, and local natural resource regulatory requirements related to production on eligible land; and

"(B) implementing projects that will result in the carrying out of eligible activities that affect multiple agricultural or nonindustrial private forest operations on a local, regional, State, or multi-State basis.

"SEC. 1271A. DEFINITIONS.

"In this subtitle:

"(1) COVERED PROGRAM.—The term 'covered program' means the following:

"(A) The agricultural conservation easement program.

"(B) The environmental quality incentives program.

"(C) The conservation stewardship program.

"(2) ELIGIBLE ACTIVITY.—The term 'eligible activity' means any of the following conservation activities:

"(A) Water quality or quantity conservation, restoration, or enhancement projects relating to surface water and groundwater resources, including—

"(i) the conversion of irrigated cropland to the production of less water-intensive agricultural commodities or dryland farming; or

"(ii) irrigation system improvement and irrigation efficiency enhancement.

"(B) Drought mitigation.

"(C) Flood prevention.

"(D) Water retention.

"(E) Air quality improvement.

"(F) Habitat conservation, restoration, and enhancement.

"(G) Erosion control and sediment reduction.

"(H) Other related activities that the Secretary determines will help achieve conservation benefits.

"(3) ELIGIBLE LAND.—The term 'eligible land' means land on which agricultural commodities, livestock, or forest-related products are produced, including—

"(A) cropland;

"(B) grassland;

"(C) rangeland;

"(D) pastureland;

"(E) nonindustrial private forest land; and

"(F) other land incidental to agricultural production (including wetlands and riparian buffers) on which significant natural resource issues could be addressed under the program.

"(4) ELIGIBLE PARTNER.—The term 'eligible partner' means any of the following:

"(A) An agricultural or silvicultural producer association or other group of producers.

"(B) A State or unit of local government.

"(C) An Indian tribe.

"(D) A farmer cooperative.

"(E) A water district, irrigation district, rural water district or association, or other organization with specific water delivery authority to producers on agricultural land.

"(F) An institution of higher education.

"(G) An organization with an established history of working cooperatively with producers on agricultural land, as determined by the Secretary, to address—

"(i) local conservation priorities related to agricultural production, wildlife habitat development, or nonindustrial private forest land management; or

"(ii) critical watershed-scale soil erosion, water quality, sediment reduction, or other natural resource issues.

"(5) PARTNERSHIP AGREEMENT.—The term 'partnership agreement' means an agreement entered into under section 1271B between the Secretary and an eligible partner.

"(6) PROGRAM.—The term 'program' means the regional conservation partnership program established by this subtitle.

"SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.

"(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—The Secretary may enter into a partnership agreement with an eligible partner to implement a project that will assist producers with installing and maintaining an eligible activity on eligible land.

"(b) LENGTH.—A partnership agreement shall be for a period not to exceed 5 years, except that the Secretary may extend the agreement one time for up to 12 months when an extension is necessary to meet the objectives of the program.

"(c) DUTIES OF PARTNERS.—

"(1) IN GENERAL.—Under a partnership agreement, the eligible partner shall—

"(A) define the scope of a project, including—

"(i) the eligible activities to be implemented;

"(ii) the potential agricultural or nonindustrial private forest land operations affected;

"(iii) the local, State, multi-State, or other geographic area covered; and

"(iv) the planning, outreach, implementation, and assessment to be conducted;

"(B) conduct outreach to producers for potential participation in the project;

"(C) at the request of a producer, act on behalf of a producer participating in the project in applying for assistance under section 1271C;

"(D) leverage financial or technical assistance provided by the Secretary with additional funds to help achieve the project objectives;

"(E) conduct an assessment of the project's effects; and

"(F) at the conclusion of the project, report to the Secretary on its results and funds leveraged.

"(2) CONTRIBUTION.—An eligible partner shall provide a significant portion of the overall costs of the scope of the project that is the subject of the agreement entered into under subsection (a), as determined by the Secretary.

"(d) APPLICATIONS.—

"(1) COMPETITIVE PROCESS.—The Secretary shall conduct a competitive process to select applications for partnership agreements and may assess and rank applications with similar conservation purposes as a group.

"(2) CRITERIA USED.—In carrying out the process described in paragraph (1), the Secretary shall make public the criteria used in evaluating applications.

"(3) CONTENT.—An application to the Secretary shall include a description of—

"(A) the scope of the project, as described in subsection (c)(1)(A);

"(B) the plan for monitoring, evaluating, and reporting on progress made towards achieving the project's objectives;

"(C) the program resources requested for the project, including the covered programs to be used and estimated funding needed from the Secretary;

"(D) eligible partners collaborating to achieve project objectives, including their roles, responsibilities, capabilities, and financial contribution; and

"(E) any other elements the Secretary considers necessary to adequately evaluate and competitively select applications for funding under the program.

"(4) PRIORITY TO CERTAIN APPLICATIONS.—The Secretary may give a higher priority to applications that—

"(A) assist producers in meeting or avoiding the need for a natural resource regulatory requirement;

"(B) have a high percentage of eligible producers in the area to be covered by the agreement;

"(C) significantly leverage non-Federal financial and technical resources and coordinate with other local, State, or national efforts;

"(D) deliver high percentages of applied conservation to address conservation priorities or regional, State, or national conservation initiatives;

"(E) provide innovation in conservation methods and delivery, including outcome-based performance measures and methods; or

"(F) meet other factors that are important for achieving the purposes of the program, as determined by the Secretary.

"SEC. 1271C. ASSISTANCE TO PRODUCERS.

"(a) IN GENERAL.—The Secretary shall enter into contracts with producers to provide financial and technical assistance to—

"(1) producers participating in a project with an eligible partner, as described in section 1271B; or

"(2) producers that fit within the scope of a project described in section 1271B or a critical conservation area designated under section 1271F, but who are seeking to implement an eligible activity on eligible land independent of a partner.

"(b) TERMS AND CONDITIONS.—

"(1) CONSISTENCY WITH PROGRAM RULES.—Except as provided in paragraph (2), the Secretary shall ensure that the terms and conditions of a contract under this section are consistent with the applicable rules of the covered programs to be used as part of the project, as described in the application under section 1271B(d)(3)(C).

"(2) ADJUSTMENTS.—Except with respect to statutory program requirements governing appeals, payment limitations, and conservation compliance, the Secretary may adjust the discretionary program rules of a covered program—

"(A) to provide a simplified application and evaluation process; and

"(B) to better reflect unique local circumstances and purposes if the Secretary determines such adjustments are necessary to achieve the purposes of the program.

"(c) PAYMENTS.—

"(1) IN GENERAL.—In accordance with statutory requirements of the covered programs involved, the Secretary may make payments to a producer in an amount determined by the Secretary to be necessary to achieve the purposes of the program.

"(2) PAYMENTS TO PRODUCERS IN STATES WITH WATER QUANTITY CONCERNS.—The Secretary may provide payments to producers participating in a project that addresses water quantity concerns for a period of five years in an amount sufficient to encourage conversion from irrigated farming to dryland farming.

"(3) WAIVER AUTHORITY.—To assist in the implementation of the program, the Secretary may waive the applicability of the limitation in section 1001D(b)(2) of this Act for participating producers if the Secretary determines that the waiver is necessary to fulfill the objectives of the program.

"SEC. 1271D. FUNDING.

"(a) AVAILABILITY OF FUNDS.—The Secretary shall use $100,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2013 through 2017 to carry out the program.

"(b) DURATION OF AVAILABILITY.—Funds made available under subsection (a) shall remain available until expended.

"(c) ADDITIONAL FUNDING AND ACRES.—

"(1) IN GENERAL.—In addition to the funds made available under subsection (a), the Secretary shall reserve 6 percent of the funds and acres made available for a covered program for each of fiscal years 2013 through 2017 in order to ensure additional resources are available to carry out this program.

"(2) UNUSED FUNDS AND ACRES.—Any funds or acres reserved under paragraph (1) for a fiscal year from a covered program that are not obligated under this program by April 1 of that fiscal year shall be returned for use under the covered program.

"(d) ALLOCATION OF FUNDING.—Of the funds and acres made available for the program under subsections (a) and (c), the Secretary shall allocate—

"(1) 25 percent of the funds and acres to projects based on a State competitive process administered by the State Conservationist, with the advice of the State technical committee established under subtitle G;

"(2) 50 percent of the funds and acres to projects based on a national competitive process to be established by the Secretary; and

"(3) 25 percent of the funds and acres to projects for the critical conservation areas designated under section 1271F.

"(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available under the program may be used to pay for the administrative expenses of eligible partners.

"SEC. 1271E. ADMINISTRATION.

"(a) DISCLOSURE.—In addition to the criteria used in evaluating applications as described in section 1271B(d)(2), the Secretary shall make publicly available information on projects selected through the competitive process described in section 1271B(d)(1).

"(b) REPORTING.—Not later than December 31, 2013, and every two years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status of projects funded under the program, including—

"(1) the number and types of eligible partners and producers participating in the partnership agreements selected;

"(2) the number of producers receiving assistance; and

"(3) total funding committed to projects, including from Federal and non-Federal resources.

"SEC. 1271F. CRITICAL CONSERVATION AREAS.

"(a) IN GENERAL.—In administering funds under section 1271D(d)(3), the Secretary shall select applications for partnership agreements and producer contracts within critical conservation areas designated under this section.

"(b) CRITICAL CONSERVATION AREA DESIGNATIONS.—

"(1) PRIORITY.—In designating critical conservation areas under this section, the Secretary shall give priority to geographical areas based on the degree to which the geographical area—

"(A) includes multiple States with significant agricultural production;

"(B) is covered by an existing regional, State, binational, or multistate agreement or plan that has established objectives, goals, and work plans and is adopted by a Federal, State, or regional authority;

"(C) would benefit from water quality improvement, including through reducing erosion, promoting sediment control, and addressing nutrient management activities affecting large bodies of water of regional, national, or international significance;

"(D) would benefit from water quantity improvement, including improvement relating to—

"(i) groundwater, surface water, aquifer, or other water sources; or

"(ii) a need to promote water retention and flood prevention; or

"(E) contains producers that need assistance in meeting or avoiding the need for a natural resource regulatory requirement that could have a negative economic impact on agricultural operations within the area.

"(2) LIMITATION.—The Secretary may not designate more than 8 geographical areas as critical conservation areas under this section.

"(c) ADMINISTRATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall administer any partnership agreement or producer contract under this section in a manner that is consistent with the terms of the program.

"(2) RELATIONSHIP TO EXISTING ACTIVITY.—The Secretary shall, to the maximum extent practicable, ensure that eligible activities carried out in critical conservation areas designated under this section complement and are consistent with other Federal and State programs and water quality and quantity strategies.

"(3) ADDITIONAL AUTHORITY.—For a critical conservation area described in subsection (b)(1)(D), the Secretary may use authorities under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.), other than section 14 of such Act (16 U.S.C. 1012), to carry out projects for the purposes of this section.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

Subtitle F—Other Conservation Programs

SEC. 2501. CONSERVATION OF PRIVATE GRAZING LAND.

Section 1240M(e) of the Food Security Act of 1985 (16 U.S.C. 3839bb(e)) is amended by striking "2012" and inserting "2017".

SEC. 2502. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.

Section 1240O(b) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2) is amended to read as follows:

"(b) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2008 through 2017.

"(2) AVAILABILITY OF FUNDS.—In addition to funds made available under paragraph (1), of the funds of the Commodity Credit Corporation, the Secretary shall use $5,000,000, to remain available until expended.".

SEC. 2503. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.

(a) FUNDING.—Section 1240R(f) of the Food Security Act of 1985 (16 U.S.C. 3839bb–5(f)) is amended by inserting before the period at the end the following: "and $30,000,000 for the period of fiscal years 2013 through 2017".

(b) REPORT ON PROGRAM EFFECTIVENESS.—Not later than two years after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating the effectiveness of the voluntary public access program established by section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839bb–5), including—

(1) identifying cooperating agencies;

(2) identifying the number of land holdings and total acres enrolled by each State and tribal government;

(3) evaluating the extent of improved access on eligible lands, improved wildlife habitat, and related economic benefits; and

(4) any other relevant information and data relating to the program that would be helpful to such Committees.

SEC. 2504. AGRICULTURE CONSERVATION EXPERIENCED SERVICES PROGRAM.

(a) FUNDING.—Subsection (c) of section 1252 of the Food Security Act of 1985 (16 U.S.C. 3851) is amended to read as follows:

"(c) FUNDING.—

"(1) IN GENERAL.—The Secretary may carry out the ACES program using funds made available to carry out each program under this title.

"(2) EXCLUSION.—Funds made available to carry out the conservation reserve program may not be used to carry out the ACES program.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2505. SMALL WATERSHED REHABILITATION PROGRAM.

(a) AVAILABILITY OF FUNDS.—Section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)) is amended—

(1) in subparagraph (E), by striking "; and" and inserting a semicolon;

(2) in subparagraph (F), by striking the period and inserting a semicolon;

(3) in subparagraph (G), by striking the period and inserting "; and"; and

(4) by adding at the end the following new subparagraph:

"(H) $250,000,000 for fiscal year 2013, to remain available until expended.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(2)(E)) is amended by striking "2012" and inserting "2017".

SEC. 2506. AGRICULTURAL MANAGEMENT ASSISTANCE PROGRAM.

(a) USES.—Section 524(b)(2) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(2)) is amended—

(1) by striking subparagraph (B) and redesignating subparagraphs (C) through (F) as subparagraphs (B) through (E), respectively; and

(2) in subparagraph (B) (as so redesignated)—

(A) in the matter preceding clause (i), by striking "or resource conservation practices"; and

(B) by striking clause (i) and redesignating clauses (ii) through (iv) as clauses (i) through (iii), respectively.

(b) COMMODITY CREDIT CORPORATION.—

(1) FUNDING.—Section 524(b)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(4)(B)) is amended to read as follows:

"(B) FUNDING.—The Commodity Credit Corporation shall make available to carry out this subsection not less than $10,000,000 for each fiscal year.".

(2) CERTAIN USES.—Section 524(b)(4)(C) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(4)(C)) is amended—

(A) in clause (i)—

(i) by striking "50" and inserting "30"; and

(ii) by striking "(A), (B), and (C)" and inserting "(A) and (B)"; and

(B) in clause (iii), by striking "40" and inserting "60".

Subtitle G—Funding and Administration

SEC. 2601. FUNDING.

(a) IN GENERAL.—Subsection (a) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended to read as follows:

"(a) ANNUAL FUNDING.—For each of fiscal years 2013 through 2017, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out the following programs under this title (including the provision of technical assistance):

"(1) The conservation reserve program under subchapter B of chapter 1 of subtitle D, including, to the maximum extent practicable, $25,000,000 for the period of fiscal years 2013 through 2017 to carry out section 1235(f) to facilitate the transfer of land subject to contracts from retired or retiring owners and operators to beginning farmers or ranchers and socially disadvantaged farmers or ranchers.

"(2) The agriculture conservation easement program under subtitle H, using, to the maximum extent practicable—

"(A) $450,000,000 in fiscal year 2013;

"(B) $475,000,000 in fiscal year 2014;

"(C) $500,000,000 in fiscal year 2015;

"(D) $525,000,000 in fiscal year 2016; and

"(E) $266,000,000 in fiscal year 2017.

"(3) The conservation security program under subchapter A of chapter 2 of subtitle D, using such sums as are necessary to administer contracts entered into before September 30, 2008.

"(4) The conservation stewardship program under subchapter B of chapter 2 of subtitle D.

"(5) The environmental quality incentives program under chapter 4 of subtitle D, using, to the maximum extent practicable, $1,750,000,000 for each of fiscal years 2013 through 2017.".

(b) GUARANTEED AVAILABILITY OF FUNDS.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended—

(1) by redesignating subsections (b) through (h) as subsections (c) through (i); respectively; and

(2) by inserting after subsection (a) the following new subsection:

"(b) AVAILABILITY OF FUNDS.—Amounts made available by subsection (a) shall be used by the Secretary to carry out the programs specified in such subsection for fiscal years 2013 through 2017 and shall remain available until expended. Amounts made available for the programs specified in such subsection during a fiscal year through modifications, cancellations, terminations, and other related administrative actions and not obligated in that fiscal year shall remain available for obligation during subsequent fiscal years, but shall reduce the amount of additional funds made available in the subsequent fiscal year by an amount equal to the amount remaining unobligated.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 2602. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—Subsection (c) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), as redesignated by section 2601(b)(1) of this Act, is amended to read as follows:

"(c) TECHNICAL ASSISTANCE.—

"(1) AVAILABILITY OF FUNDS.—Commodity Credit Corporation funds made available for a fiscal year for each of the programs specified in subsection (a)—

"(A) shall be available for the provision of technical assistance for the programs for which funds are made available as necessary to implement the programs effectively; and

"(B) shall not be available for the provision of technical assistance for conservation programs specified in subsection (a) other than the program for which the funds were made available.

"(2) REPORT.—Not later than December 31, 2012, the Secretary shall submit (and update as necessary in subsequent years) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report—

"(A) detailing the amount of technical assistance funds requested and apportioned in each program specified in subsection (a) during the preceding fiscal year; and

"(B) any other data relating to this subsection that would be helpful to such Committees.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2603. REGIONAL EQUITY.

(a) IN GENERAL.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (e) (as redesignated by section 2601(b)(1) of this Act) and inserting the following:

"(e) REGIONAL EQUITY.—

"(1) EQUITABLE DISTRIBUTION.—In determining funding allocations each fiscal year, the Secretary shall, after considering available funding and program demand in each State, provide a distribution of funds for conservation programs under subtitle D (excluding the conservation reserve program under subchapter B of chapter 1), subtitle H (excluding wetland easements under section 1265C), and subtitle I to ensure equitable program participation proportional to historical funding allocations and usage by all States.

"(2) MINIMUM PERCENTAGE.—In determining the specific funding allocations under paragraph (1), the Secretary shall—

"(A) ensure that during the first quarter of each fiscal year each State has the opportunity to establish that the State can use an aggregate allocation amount of at least 0.6 percent of the funds made available for those conservation programs; and

"(B) for each State that can so establish, provide an aggregate amount of at least 0.6 percent of the funds made available for those conservation programs.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2604. RESERVATION OF FUNDS TO PROVIDE ASSISTANCE TO CERTAIN FARMERS OR RANCHERS FOR CONSERVATION ACCESS.

(a) IN GENERAL.—Subsection (h) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) (as redesignated by section 2601(b)(1)) is amended—

(1) in paragraph (1) by striking "2012" and inserting "2017"; and

(2) by adding at the end the following new paragraph:

"(4) PREFERENCE.—In providing assistance under paragraph (1), the Secretary shall give preference to a veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))) that qualifies under subparagraph (A) or (B) of paragraph (1).".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 2605. ANNUAL REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.

(a) IN GENERAL.—Subsection (i) (as redesignated by section 2601(b)(1)) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended—

(1) in paragraph (1), by striking "wetlands reserve program" and inserting "agricultural conservation easement program";

(2) by striking paragraphs (2) and (3) and redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively; and

(3) in paragraph (3) (as so redesignated)—

(A) by striking "agricultural water enhancement program" and inserting "regional conservation partnership program"; and

(B) by striking "1240I(g)" and inserting "1271C(c)(3)".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 2606. REVIEW OF CONSERVATION PRACTICE STANDARDS.

Section 1242(h)(1)(A) of the Food Security Act of 1985 (16 U.S.C. 3842(h)(1)(A)) is amended by striking "the Food, Conservation, and Energy Act of 2008" and inserting "the Federal Agriculture Reform and Risk Management Act of 2012".

SEC. 2607. ADMINISTRATIVE REQUIREMENTS APPLICABLE TO ALL CONSERVATION PROGRAMS.

(a) IN GENERAL.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraph:

"(E) Veteran farmers or ranchers (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))).";

(2) in subsection (d), by inserting ", H, and I" before the period at the end;

(3) in subsection (f)—

(A) in paragraph (1)(B), by striking "country" and inserting "county"; and

(B) in paragraph (3), by striking "subsection (c)(2)(B) or (f)(4)" and inserting "subsection (c)(2)(A)(ii) or (f)(2)"; and

(4) by adding at the end the following new subsections:

"(j) IMPROVED ADMINISTRATIVE EFFICIENCY AND EFFECTIVENESS.—In administrating a conservation program under this title, the Secretary shall, to the maximum extent practicable—

"(1) seek to reduce administrative burdens and costs to producers by streamlining conservation planning and program resources; and

"(2) take advantage of new technologies to enhance efficiency and effectiveness.

"(k) RELATION TO OTHER PAYMENTS.—Any payment received by an owner or operator under this title, including an easement payment or rental payment, shall be in addition to, and not affect, the total amount of payments that the owner or operator is otherwise eligible to receive under any of the following:

"(1) This Act.

"(2) The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

"(3) The Federal Agriculture Reform and Risk Management Act of 2012.

"(4) Any law that succeeds a law specified in paragraph (1), (2), or (3).".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 2608. STANDARDS FOR STATE TECHNICAL COMMITTEES.

Section 1261(b) of the Food Security Act of 1985 (16 U.S.C. 3861(b)) is amended by striking "Not later than 180 days after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall develop" and inserting "The Secretary shall review and update as necessary".

SEC. 2609. RULEMAKING AUTHORITY.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841 et seq.) is amended by adding at the end the following new section:

"SEC. 1246. REGULATIONS.

"(a) IN GENERAL.—The Secretary shall promulgate such regulations as are necessary to implement programs under this title, including such regulations as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under section 1244(f).

"(b) RULEMAKING PROCEDURE.—The promulgation of regulations and administration of programs under this title—

"(1) shall be carried out without regard to—

"(A) the Statement of Policy of the Secretary effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

"(B) chapter 35 of title 44, United States Code (commonly known as the Paperwork Reduction Act); and

"(2) shall be made as an interim rule effective on publication with an opportunity for notice and comment.

"(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In promulgating regulations under this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.".

Subtitle H—Repeal of Superseded Program Authorities and Transitional Provisions; Technical Amendments

SEC. 2701. COMPREHENSIVE CONSERVATION ENHANCEMENT PROGRAM.

(a) REPEAL.—Section 1230 of the Food Security Act of 1985 (16 U.S.C. 3830) is repealed.

(b) CONFORMING AMENDMENT.—The heading of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.) is amended to read as follows: "**CONSERVATION RESERVE**".

SEC. 2702. EMERGENCY FORESTRY CONSERVATION RESERVE PROGRAM.

(a) REPEAL.—Section 1231A of the Food Security Act of 1985 (16 U.S.C. 3831a) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1231A of the Food Security Act of 1985 (16 U.S.C. 3831a) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the conservation reserve program under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2703. WETLANDS RESERVE PROGRAM.

(a) REPEAL.—Subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301 of this Act, to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2704. FARMLAND PROTECTION PROGRAM AND FARM VIABILITY PROGRAM.

(a) REPEAL.—Subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) is repealed.

(b) CONFORMING AMENDMENT.—The heading of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.) is amended by striking "**AND FARMLAND PROTECTION**".

(c) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendments made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301 of this Act, to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 2705. GRASSLAND RESERVE PROGRAM.

(a) REPEAL.—Subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301 of this Act, to continue to

carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2706. AGRICULTURAL WATER ENHANCEMENT PROGRAM.

(a) REPEAL.—Section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401 of this Act, to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2707. WILDLIFE HABITAT INCENTIVE PROGRAM.

(a) REPEAL.—Section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the environmental quality incentives program under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2708. GREAT LAKES BASIN PROGRAM.

(a) REPEAL.—Section 1240P of the Food Security Act of 1985 (16 U.S.C. 3839bb–3) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2709. CHESAPEAKE BAY WATERSHED PROGRAM.

(a) REPEAL.—Section 1240Q of the Food Security Act of 1985 (16 U.S.C. 3839bb–4) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1240Q of the Food Security Act of 1985 (16 U.S.C. 3839bb–4) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401 of this Act, to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2710. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

(a) REPEAL.—Section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843) before October 1, 2012, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the regional conservation partnership program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401 of this Act, to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as they existed on September 30, 2012.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 2711. ENVIRONMENTAL EASEMENT PROGRAM.

Chapter 3 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839 et seq.) is repealed.

SEC. 2712. TECHNICAL AMENDMENTS.

(a) DEFINITIONS.—Section 1201(a) of the Food Security Act of 1985 (16 U.S.C. 3801(a)) is amended in the matter preceding paragraph (1) by striking "E" and inserting "I".

(b) PROGRAM INELIGIBILITY.—Section 1211(a) of the Food Security Act of 1985 (16 U.S.C. 3811(a)) is amended by striking "predominate" each place it appears and inserting "predominant".

(c) SPECIALTY CROP PRODUCERS.—Section 1242(i) of the Food Security Act of 1985 (16 U.S.C. 3842(i)) is amended in the header by striking "SPECIALITY" and inserting "SPECIALTY".

TITLE III—TRADE

Subtitle A—Food for Peace Act

SEC. 3001. GENERAL AUTHORITY.

Section 201 of the Food for Peace Act (7 U.S.C. 1721) is amended—

(1) in the matter preceding paragraph (1), by inserting "(to be implemented by the Administrator)" after "under this title"; and

(2) by striking paragraph (7) and the second sentence and inserting the following new paragraph:

"(7) build resilience to mitigate and prevent food crises and reduce the future need for emergency aid.".

SEC. 3002. SUPPORT FOR ORGANIZATIONS THROUGH WHICH ASSISTANCE IS PROVIDED.

Section 202(e)(1) of the Food for Peace Act (7 U.S.C. 1722(e)(1)) is amended by striking "13 percent" and inserting "11 percent".

SEC. 3003. FOOD AID QUALITY.

Section 202(h) of the Food for Peace Act (7 U.S.C. 1722(h)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking "The Administrator" and inserting "In consultation with the Secretary, the Administrator"; and

(ii) by inserting "to establish a mechanism" after "this title";

(B) by striking "and" at the end of subparagraph (B); and

(C) by striking subparagraph (C) and inserting the following new paragraphs:

"(C) to evaluate, as necessary, the use of current and new agricultural commodities and products thereof in different program settings and for particular recipient groups, including the testing of prototypes;

"(D) to establish and implement appropriate protocols for quality assurance of food products procured by the Secretary for food aid programs; and

"(E) to periodically update program guidelines on the recommended use of agricultural commodities and food products in food aid programs to reflect findings from the implementation of this subsection and other relevant information.";

(2) in paragraph (2), by striking "The Administrator" and inserting "In consultation with the Secretary, the Administrator"; and

(3) in paragraph (3), by striking "fiscal years 2009 through 2011, not more than $4,500,000" and inserting "fiscal years 2013 through 2017, not more than $1,000,000".

SEC. 3004. MINIMUM LEVELS OF ASSISTANCE.

Section 204(a) of the Food for Peace Act (7 U.S.C. 1724(a)) is amended—

(1) in paragraph (1), by striking "2012" and inserting "2017"; and

(2) in paragraph (2), by striking "2012" and inserting "2017".

SEC. 3005. FOOD AID CONSULTATIVE GROUP.

(a) MEMBERSHIP.—Section 205(b) of the Food for Peace Act (7 U.S.C. 1725(b)) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by redesignating paragraph (7) as paragraph (8); and

(3) by inserting after paragraph (6) the following new paragraph:

"(7) representatives from the United States agricultural processing sector involved in providing agricultural commodities for programs under this Act; and".

(b) CONSULTATION.—Section 205(d) of the Food for Peace Act (7 U.S.C. 1725(d)) is amended—

(1) by striking the first sentence and inserting the following:

"(1) CONSULTATION IN ADVANCE OF ISSUANCE OF IMPLEMENTATION REGULATIONS, HANDBOOKS, AND GUIDELINES.—Not later than 45 days before a proposed regulation, handbook, or guideline implementing this title, or a proposed significant revision to a regulation, handbook, or guideline implementing this title, becomes final, the Administrator shall provide the proposal to the Group for review and comment."; and

(2) by adding at the end the following new paragraph:

"(2) CONSULTATION REGARDING FOOD AID QUALITY EFFORTS.—The Administrator shall seek input from and consult with the Group on the implementation of section 202(h).".

(c) REAUTHORIZATION.—Section 205(f) of the Food for Peace Act (7 U.S.C. 1725(f)) is amended by striking "2012" and inserting "2017".

SEC. 3006. OVERSIGHT, MONITORING, AND EVALUATION.

(a) REGULATIONS AND GUIDANCE.—Section 207(c) of the Food for Peace Act (7 U.S.C. 1726a(c)) is amended—

(1) in the subsection heading, by inserting "AND GUIDANCE" after "REGULATIONS";

(2) in paragraph (1), by adding at the end the following new sentence: "Not later than 270 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012, the Administrator shall issue all regulations and revisions to agency guidance necessary to implement the amendments made to this title by such Act."; and

(3) in paragraph (2), by inserting "and guidance" after "develop regulations".

(b) FUNDING.—Section 207(f) of the Food for Peace Act (7 U.S.C. 1726a(f)) is amended—

(1) in paragraph (2)—

(A) by inserting "and" at the end of subparagraph (D);

(B) by striking "; and" at the end of subparagraph (E) and inserting the period; and

(C) by striking subparagraph (F);

(2) by striking paragraphs (3) and (4); and

(3) by redesignating paragraphs (5) and (6) as paragraphs (3) and (4), respectively; and

(4) in paragraph (4) (as so redesignated)—

(A) in subparagraph (A), by striking ", except for paragraph (2)(F), for which only $2,500,000 shall be made available during fiscal year 2009" and inserting "and up to $10,000,000 of such funds for each of fiscal years 2013 through 2017"; and

(B) in subparagraph (B)(i), by striking "2012" and inserting "2017".

(c) IMPLEMENTATION REPORTS.—Not later than 270 days after the date of the enactment of this Act, the Administrator of the Agency for International Development shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committees on Agriculture and Foreign Affairs of the House of Representatives a report describing—

(1) the implementation of section 207(c) of the Food for Peace Act (7 U.S.C. 1726a(c));

(2) the surveys, studies, monitoring, reporting, and audit requirements for programs conducted under title II of such Act (7 U.S.C. 1721 et seq.) by an eligible organization that is a nongovernmental organization (as such term is defined in section 402 of such Act (7 U.S.C. 1732)); and

(3) the surveys, studies, monitoring, reporting, and audit requirements for such programs by an eligible organization that is an intergovernmental organization, such as the World Food Program or other multilateral organization.

SEC. 3007. ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.

Section 208(f) of the Food for Peace Act (7 U.S.C. 1726b(f)) is amended by striking "2012" and inserting "2017".

SEC. 3008. GENERAL PROVISIONS.

(a) IMPACT ON LOCAL FARMERS AND ECONOMY.—Section 403(b) of the Food for Peace Act (7 U.S.C. 1733(b)) is amended by adding at the end the following new sentence: "The Secretary or the Administrator, as appropriate, shall seek information, as part of the regular proposal and submission process, from implementing agencies on the potential benefits to the local economy of sales of agricultural commodities within the recipient country.".

(b) PREVENTION OF PRICE DISRUPTIONS.—Section 403(e) of the Food for Peace Act (7 U.S.C. 1733(e)) is amended—

(1) in paragraph (2), by striking "reasonable market price" and inserting "fair market value"; and

(2) by adding at the end the following new paragraph:

"(3) COORDINATION ON ASSESSMENTS.—The Secretary and the Administrator shall coordinate in assessments to carry out paragraph (1) and in the development of approaches to be used by implementing agencies for determining the fair market value described in paragraph (2).".

(c) REPORT ON USE OF FUNDS.—Section 403 of the Food for Peace Act (7 U.S.C. 1733) is amended by adding at the end the following new subsection:

"(m) REPORT ON USE OF FUNDS.—Not later than 180 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012, and annually thereafter, the Administrator shall submit to Congress a report—

"(1) specifying the amount of funds (including funds for administrative costs, indirect cost recovery, and internal transportation, storage and handling, and associated distribution costs) provided to each eligible organization that received assistance under this Act in the previous fiscal year; and

"(2) describing how those funds were used by the eligible organization.".

SEC. 3009. PREPOSITIONING OF AGRICULTURAL COMMODITIES.

Section 407(c)(4) of the Food for Peace Act (7 U.S.C. 1736a(c)(4)) is amended—

(1) in subparagraph (A)—

(A) by striking "2012" and inserting "2017"; and

(B) by striking "for each such fiscal year not more than $10,000,000 of such funds" and inserting "for each of fiscal years 2001 through 2012 not more than $10,000,000 of such funds and for each of fiscal years 2013 through 2017 not more than $15,000,000 of such funds"; and

(2) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) ADDITIONAL PREPOSITIONING SITES.—The Administrator may establish additional sites for prepositioning in foreign countries or change the location of current sites for prepositioning in foreign countries after conducting, and based on the results of, assessments of need, feasibility, and cost.".

SEC. 3010. ANNUAL REPORT REGARDING FOOD AID PROGRAMS AND ACTIVITIES.

Section 407(f)(1) of the Food for Peace Act (7 U.S.C. 1736a(f)(1)) is amended—

(1) in the paragraph heading, by striking "AGRICULTURAL TRADE" and inserting "FOOD AID";

(2) in subparagraph (B)(ii), by inserting before the semicolon at the end the following: "and the intended beneficiaries of the project or activity"; and

(3) in subparagraph (B)(iii)—

(A) by striking "and" at the end of subclause (I);

(B) by inserting "and" at the end of subclause (II); and

(C) by inserting after subclause (II) the following new subclause:

"(III) the McGovern-Dole International Food for Education and Child Nutrition Program established by section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o-1);".

SEC. 3011. DEADLINE FOR AGREEMENTS TO FINANCE SALES OR TO PROVIDE OTHER ASSISTANCE.

Section 408 of the Food for Peace Act (7 U.S.C. 1736b) is amended by striking "2012" and inserting "2017".

SEC. 3012. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 412(a)(1) of the Food for Peace Act (7 U.S.C. 1736f(a)(1)) is amended by striking "for fiscal year 2008 and each fiscal year thereafter, $2,500,000,000" and inserting "$2,500,000,000 for each of fiscal years 2008 through 2012 and $2,000,000,000 for each of fiscal years 2013 through 2017".

(b) MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.—Paragraph (1) of section 412(e) of the Food for Peace Act (7 U.S.C. 1736f(e)) is amended to read as follows:

"(1) FUNDS AND COMMODITIES.—For each of fiscal years 2013 through 2017, of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, not less than $400,000,000 shall be expended for nonemergency food assistance programs under such title.".

SEC. 3013. MICRONUTRIENT FORTIFICATION PROGRAMS.

(a) ELIMINATION OF OBSOLETE REFERENCE TO STUDY.—Section 415(a)(2)(B) of the Food for Peace Act (7 U.S.C. 1736g–2(a)(2)(B)) is amended by striking ", using recommendations" and all that follows through "quality enhancements".

(b) EXTENSION.—Section 415(c) of the Food for Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking "2012" and inserting "2017".

SEC. 3014. JOHN OGONOWSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.

Section 501 of the Food for Peace Act (7 U.S.C. 1737) is amended—

(1) in subsection (d), in the matter preceding paragraph (1), by inserting ", and not less than the greater of $15,000,000 or 0.5 percent of the amounts made available for each of fiscal years 2013 through 2017," after "2012"; and

(2) in subsection (e)(1), by striking "2012" and inserting "2017".

Subtitle B—Agricultural Trade Act of 1978

SEC. 3101. FUNDING FOR EXPORT CREDIT GUARANTEE PROGRAM.

Section 211(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(b)) is amended by striking "2012" and inserting "2017".

SEC. 3102. FUNDING FOR MARKET ACCESS PROGRAM.

Section 211(c)(1)(A) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking "2012" and inserting "2017".

SEC. 3103. FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.

Section 703(a) of the Agricultural Trade Act of 1978 (7 U.S.C. 5723(a)) is amended by striking "2012" and inserting "2017".

Subtitle C—Other Agricultural Trade Laws

SEC. 3201. FOOD FOR PROGRESS ACT OF 1985.

(a) EXTENSION.—The Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended—

(1) in subsection (f)(3), by striking "2012" and inserting "2017";

(2) in subsection (g), by striking "2012" and inserting "2017";

(3) in subsection (k), by striking "2012" and inserting "2017"; and

(4) in subsection (l)(1), by striking "2012" and inserting "2017".

(b) REPEAL OF COMPLETED PROJECT.—Subsection (f) of the Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended by striking paragraph (6).

SEC. 3202. BILL EMERSON HUMANITARIAN TRUST.

Section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1) is amended—

(1) in subsection (b)(2)(B)(i), by striking "2012" both places it appears and inserting "2017"; and

(2) in subsection (h), by striking "2012" both places it appears and inserting "2017".

SEC. 3203. PROMOTION OF AGRICULTURAL EXPORTS TO EMERGING MARKETS.

(a) DIRECT CREDITS OR EXPORT CREDIT GUARANTEES.—Section 1542(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 5622 note) is amended by striking "2012" and inserting "2017".

(b) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—Section 1542(d)(1)(A)(i) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 5622 note) is amended by striking "2012" and inserting "2017".

SEC. 3204. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.

(a) REAUTHORIZATION.—Section 3107(l)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1(l)(2)) is amended by striking "2012" and inserting "2017".

(b) TECHNICAL CORRECTION.—Section 3107(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1(d)) is amended by striking "to" in the matter preceding paragraph (1).

SEC. 3205. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.

(a) PURPOSE.—Section 3205(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680(b)) is amended by striking "related barriers to trade" and inserting "technical barriers to trade".

(b) FUNDING.—Section 3205(e)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680(e)(2)) is amended—

(1) by inserting "and" at the end of subparagraph (C); and

(2) by striking subparagraphs (D) and (E) and inserting the following new subparagraph:

"(D) $9,000,000 for each of fiscal years 2011 through 2017.".

SEC. 3206. GLOBAL CROP DIVERSITY TRUST.

Section 3202(c) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 22 U.S.C. 2220a note) is amended by striking "section" and all that follows through the period and inserting the following: "section—

"(1) $60,000,000 for the period of fiscal years 2008 through 2012; and

"(2) $50,000,000 for the period of fiscal years 2013 through 2017.".

SEC. 3207. UNDER SECRETARY OF AGRICULTURE FOR FOREIGN AGRICULTURAL SERVICES.

(a) IN GENERAL.—Subtitle B of the Department of Agriculture Reorganization Act of 1994 is amended by inserting after section 225 (7 U.S.C. 6931) the following new section:

"SEC. 225A. UNDER SECRETARY OF AGRICULTURE FOR FOREIGN AGRICULTURAL SERVICES.

"(a) AUTHORIZATION.—The Secretary is authorized to establish in the Department the position of Under Secretary of Agriculture for Foreign Agricultural Services.

"(b) CONFIRMATION REQUIRED.—If the Secretary establishes the position of Under Secretary of Agriculture for Foreign Agricultural Services under subsection (a), the Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

"(c) FUNCTIONS OF UNDER SECRETARY.—

"(1) PRINCIPAL FUNCTIONS.—Upon establishment, the Secretary shall delegate to the Under Secretary of Agriculture for Foreign Agricultural Services those functions under the jurisdiction of the Department that are related to foreign agricultural services.

"(2) ADDITIONAL FUNCTIONS.—The Under Secretary of Agriculture for Foreign Agricultural Services shall perform such other functions as may be required by law or prescribed by the Secretary.

"(d) SUCCESSION.—Any official who is serving as Under Secretary of Agriculture for Farm and Foreign Agricultural Services on the date of the enactment of this section and who was appointed by the President, by and with the advice and consent of the Senate, shall not be required to be reappointed under subsection (b) or section 225(b) to the successor position authorized under subsection (a) or section 225(a) if the Secretary establishes the position, and the official occupies the new position, with 180 days after the date of the enactment of this section (or such later date set by the Secretary if litigation delays rapid succession).".

(b) CONFORMING AMENDMENTS.—Section 225 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6931) is amended—

(1) by striking "Under Secretary of Agriculture for Farm and Foreign Agricultural Services" each place it appears and inserting "Under Secretary of Agriculture for Farm Services"; AND

(2) in subsection (c)(1), by striking "and foreign agricultural".

(c) PERMANENT AUTHORITY.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (6)(C), by striking "or" at the end;

(2) in paragraph (7), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraph:

"(8) the authority of the Secretary to establish in the Department the position of Under Secretary of Agriculture for Foreign Agricultural Services in accordance with section 225A;".

TITLE IV—NUTRITION

Subtitle A—Supplemental Nutrition Assistance Program

SEC. 4001. RETAILERS.

(a) DEFINITION OF RETAIL FOOD STORE.—Section 3(p)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(p)(1)(A)) is amended by striking "at least 2" and inserting "at least 3".

(b) ALTERNATIVE BENEFIT DELIVERY.—Section 7(f) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(f)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) IMPOSITION OF COSTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall require participating retailers (including restaurants participating in a State option restaurant program intended to serve the elderly, disabled, and homeless) to pay 100 percent of the costs of acquiring, and arrange for the implementation of, electronic benefit transfer point-of-sale equipment and supplies.

"(B) EXEMPTIONS.—The Secretary may exempt from subparagraph (A)—

"(i) farmers' markets, military commissaries, nonprofit food buying cooperatives, and establishments, organizations, programs, or group living arrangements described in paragraphs (5), (7), and (8) of section 3(k); and

"(ii) establishments described in paragraphs (3), (4), and (9) of section 3(k), other than restaurants participating in a State option restaurant program."; and

(2) by adding at the end the following:

"(4) TERMINATION OF MANUAL VOUCHERS.—

"(A) IN GENERAL.—Effective beginning on the effective date of this paragraph, except as provided in subparagraph (B), no State shall issue manual vouchers to a household that receives supplemental nutrition assistance under this Act or allow retailers to accept manual vouchers as payment, unless the Secretary determines that the manual vouchers are necessary, such as in the event of an electronic benefit transfer system failure or a disaster situation.

"(B) EXEMPTIONS.—The Secretary may exempt categories of retailers or individual retailers from subparagraph (A) based on criteria established by the Secretary.

"(5) UNIQUE IDENTIFICATION NUMBER REQUIRED.—In an effort to enhance the antifraud protections of the program, the Secretary shall require all parties providing electronic benefit transfer services to provide for and maintain a unique terminal identification number information through the supplemental nutrition assistance program electronic benefit transfer transaction routing system. In developing the regulations implementing this paragraph, the Secretary shall consider existing commercial practices for other point-of-sale debit transactions. The Secretary shall issue proposed regulations implementing this paragraph not earlier than 2 years after the date of enactment of this paragraph.".

(c) ELECTRONIC BENEFIT TRANSFERS.—Section 7(h)(3)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(3)(B)) is amended by striking "is operational—" and all that follows through "(ii) in the case of other participating stores," and inserting "is operational".

(d) APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) is amended—

(1) in the 2d sentence of subsection (a)(1) by striking "; and (C)" and inserting "; (C) whether the applicant is located in an area with significantly limited access to food; and (D)";

(2) in subsection (b) by adding at the end the following:

"(3) RETAIL FOOD STORES WITH SIGNIFICANT SALES OF EXCLUDED ITEMS.—

"(A) IN GENERAL.—No retail food store for which at least 45 percent of the total sales of the retail food store is from the sale of excluded items described in section 3(k)(1) may be authorized to accept and redeem benefits unless the Secretary determines that the participation of the retail food store is required for the effective and efficient operation of the supplemental nutrition assistance program.

"(B) APPLICATION.—Subparagraph (A) shall be effective—

"(i) in the case of retail food stores applying to be authorized for the 1st time, beginning on the date that is 1 year after the effective date of this paragraph; and

"(ii) in the case of retail food stores participating in the program on the effective date of this paragraph, during periodic reauthorization in accordance with subsection (a)(2)(A).'"; and

(3) by adding at the end the following:

"(g) EBT SERVICE REQUIREMENT.—An approved retail food store shall provide adequate EBT service as described in section 7(h)(3)(B).".

SEC. 4002. ENHANCING SERVICES TO ELDERLY AND DISABLED SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM RECIPIENTS.

(a) ENHANCING SERVICES TO ELDERLY AND DISABLED PROGRAM RECIPIENTS.—Section 3(p) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(p)) is amended—

(1) in paragraph (3) by striking "and" at the end,

(2) in paragraph (4) by striking the period at the end and inserting "; and", and

(3) by inserting after paragraph (4) the following:

"(5) a governmental or private nonprofit food purchasing and delivery service that—

"(A) purchases food for, and delivers such food to, individuals who are—

"(i) unable to shop for food; and

"(ii)(I) not less than 60 years of age; or

"(II) physically or mentally handicapped or otherwise disabled;

"(B) clearly notifies the participating household at the time such household places a food order—

"(i) of any delivery fee associated with the food purchase and delivery provided to such household by such service; and

"(ii) that a delivery fee cannot be paid with benefits provided under supplemental nutrition assistance program; and

"(C) sells food purchased for such household at the price paid by such service for such food and without any additional cost markup.".

(b) IMPLEMENTATION.—

(1) ISSUANCE OF RULES.—The Secretary of Agriculture shall issue regulations that—

(A) establish criteria to identify a food purchasing and delivery service referred to in section 3(p)(5) of the Food and Nutrition Act of 2008 as amended by this Act, and

(B) establish procedures to ensure that such service—

(i) does not charge more for a food item than the price paid by the such service for such food item,

(ii) offers food delivery service at no or low cost to households under such Act,

(iii) ensures that benefits provided under the supplemental nutrition assistance program are used only to purchase food, as defined in section 3 of such Act,

(iv) limits the purchase of food, and the delivery of such food, to households eligible to receive services described in section 3(p)(5) of such Act as so amended,

(v) has established adequate safeguards against fraudulent activities, including unauthorized use of electronic benefit cards issued under such Act, and

(vi) such other requirements as the Secretary deems to be appropriate.

(2) LIMITATION.—Before the issuance of rules under paragraph (1) , the Secretary of Agriculture may not approve more than 20 food purchasing and delivery services referred to in section 3(p)(5) of the Food and Nutrition Act of 2008 as amended by this Act, to participate as retail food stores under the supplemental nutrition assistance program.

SEC. 4003. FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS.

Section 4(b)(6)(F) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)(6)(F)) is amended by striking "2012" and inserting "2017".

SEC. 4004. UPDATING PROGRAM ELIGIBILITY.

Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(1) in the 2d sentence of subsection (a) by striking "households in which each member receives benefits" and inserting "households in which each member receives cash assistance", and

(2) in subsection (j) by striking "or who receives benefits under a State program" and inserting "or who receives cash assistance under a State program".

SEC. 4005. EXCLUSION OF MEDICAL MARIJUANA FROM EXCESS MEDICAL EXPENSE DEDUCTION.

Section 5(e)(5) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(5)) is amended by adding at the end the following:

"(C) EXCLUSION OF MEDICAL MARIJUANA.—The Secretary shall promulgate rules to ensure that medical marijuana is not treated as a medical expense for purposes of this paragraph.".

SEC. 4006. STANDARD UTILITY ALLOWANCES BASED ON THE RECEIPT OF ENERGY ASSISTANCE PAYMENTS.

(a) STANDARD UTILITY ALLOWANCES IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.—Section 5(e)(6)(C) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)(C)) is amended—

(1) in clause (i) by inserting ", subject to clause (iv)" after "Secretary"; and

(2) in clause (iv)(I) by striking "the household still incurs" and all that follows through the end of the subclause and inserting "the payment received by, or made on behalf of, the household exceeds $10 or a higher amount annually, as determined by the Secretary.".

(b) CONFORMING AMENDMENT.—Section 2605(f)(2)(A) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)(2)(A)) is amended by inserting before the semicolon at the end ", except that, for purposes of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), such payments or allowances exceed $10 or a higher amount annually, as determined by the Secretary of Agriculture in accordance with section 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C. 2014(e)(6)(C)(iv)(I))".

(c) EFFECTIVE AND IMPLEMENTATION DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section shall take effect beginning on October 1, 2013, for all certification periods beginning after that date.

(2) STATE OPTION TO DELAY IMPLEMENTATION FOR CURRENT RECIPIENTS.—A State may, at the option of the State, implement a policy that eliminates or minimizes the effect of the amendments made by this section for households that receive a standard utility allowance as of the date of enactment of this Act for not more than a 180-day period beginning on the date on which the amendments made by this section would otherwise affect the benefits received by a household.

SEC. 4007. ELIGIBILITY DISQUALIFICATIONS.

Section 6(e)(3)(B) of Food and Nutrition Act of 2008 (7 U.S.C. 2015(e)(3)(B)) is amended by striking "section;" and inserting the following:

"section, subject to the condition that the course or program of study—

"(i) is part of a program of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) that may be completed in not more than 4 years at an institution of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)); or

"(ii) is limited to remedial courses, basic adult education, literacy, or English as a second language;".

SEC. 4008. ENDING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FOR LOTTERY OR GAMBLING WINNERS.

(a) IN GENERAL.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) is amended by adding at the end the following:

"(r) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

"(1) IN GENERAL.—Any household in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings.

"(2) DURATION OF INELIGIBILITY.—A household described in paragraph (1) shall remain ineligible for participation until the household meets the allowable financial resources and income eligibility requirements under subsections (c), (d), (e), (f), (g), (i), (k), (l), (m), and (n) of section 5.

"(3) AGREEMENTS.—As determined by the Secretary, each State agency, to the maximum extent practicable, shall establish agreements with entities responsible for the regulation or sponsorship of gaming in the State to determine whether individuals participating in the supplemental nutrition assistance program have received substantial lottery or gambling winnings.".

(b) CONFORMING AMENDMENTS.—Section 5(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(a)) is amended in the 2d sentence by striking "sections 6(b), 6(d)(2), and 6(g)" and inserting "subsections (b), (d)(2), (g), and (r) of section 6".

SEC. 4009. IMPROVING SECURITY OF FOOD ASSISTANCE.

Section 7(h)(8) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(8)) is amended—

(1) in the heading by striking "CARD FEE" and inserting "OF CARDS";

(2) by striking "A State" and inserting the following:

"(A) FEES.—A State"; and

(3) by adding after subparagraph (A) (as so designated by paragraph (2)) the following:

"(B) PURPOSEFUL LOSS OF CARDS.—

"(i) IN GENERAL.—Subject to terms and conditions established by the Secretary in accordance with clause (ii), if a household makes excessive requests for replacement of the electronic benefit transfer card of the household, the Secretary may require a State agency to decline to issue a replacement card to the household unless the household, upon request of the State agency, provides an explanation for the loss of the card.

"(ii) REQUIREMENTS.—The terms and conditions established by the Secretary shall provide that—

"(I) the household be given the opportunity to provide the requested explanation and meet the requirements under this paragraph promptly;

"(II) after an excessive number of lost cards, the head of the household shall be required to review program rights and responsibilities with State agency personnel authorized to make determinations under section 5(a); and

"(III) any action taken, including actions required under section 6(b)(2), other than the withholding of the electronic benefit transfer card until an explanation described in subclause (I) is provided, shall be consistent with the due process protections under section 6(b) or 11(e)(10), as appropriate.

"(C) PROTECTING VULNERABLE PERSONS.—In implementing this paragraph, a State agency shall act to protect homeless persons, persons with disabilities, victims of crimes, and other vulnerable persons who lose electronic benefit transfer cards but are not intentionally committing fraud.

"(D) EFFECT ON ELIGIBILITY.—While a State may decline to issue an electronic benefits transfer card until a household satisfies the requirements under this paragraph, nothing in this paragraph shall be considered a denial of, or limitation on, the eligibility for benefits under section 5.".

SEC. 4010. DEMONSTRATION PROJECTS ON ACCEPTANCE OF BENEFITS OF MOBILE TRANSACTIONS.

Section 7(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) is amended by adding at the end the following:

"(14) DEMONSTRATION PROJECTS ON ACCEPTANCE OF BENEFITS OF MOBILE TRANSACTIONS.—

"(A) IN GENERAL.—The Secretary shall pilot the use of mobile technologies determined by the Secretary to be appropriate to test the feasibility and implications for program integrity, by allowing retail food stores, farmers markets, and other direct producer-to-consumer marketing outlets to accept benefits from recipients of supplemental nutrition assistance through mobile transactions.

"(B) DEMONSTRATION PROJECTS.—To be eligible to participate in a demonstration project under subsection (a), a retail food store, farmers market, or other direct producer-to-consumer marketing outlet shall submit to the Secretary for approval a plan that includes—

"(i) a description of the technology;

"(ii) the manner by which the retail food store, farmers market or other direct producer-to-consumer marketing outlet will provide proof of the transaction to households;

"(iii) the provision of data to the Secretary, consistent with requirements established by the Secretary, in a manner that allows the Secretary to evaluate the impact of the demonstration on participant access, ease of use, and program integrity; and

"(iv) such other criteria as the Secretary may require.

"(C) DATE OF COMPLETION.—The demonstration projects under this paragraph shall be completed and final reports submitted to the Secretary by not later than July 1, 2015.

"(D) REPORT TO CONGRESS.—The Secretary shall submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that includes a finding, based on the data provided under subparagraph (C) whether or not implementation in all States is in the best interest of the supplemental nutrition assistance program.".

SEC. 4011. USE OF BENEFITS FOR PURCHASE OF COMMUNITY-SUPPORTED AGRICULTURE SHARE.

Section 10 of the Food and Nutrition Act of 2008 (7 U.S.C. 2019) is amended in the 1st sentence by inserting "agricultural producers who market agricultural products directly to consumers shall be authorized to redeem benefits for the initial cost of the purchase of a community-supported agriculture share," after "food so purchased,".

SEC. 4012. RESTAURANT MEALS PROGRAM.

(a) IN GENERAL.—Section 11(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (22) by striking "and" at the end;

(2) in paragraph (23)(C) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(24) if the State elects to carry out a program to contract with private establishments to offer meals at concessional prices, as described in paragraphs (3), (4), and (9) of section 3(k)—

"(A) the plans of the State agency for operating the program, including—

"(i) documentation of a need that eligible homeless, elderly, and disabled clients are underserved in a particular geographic area;

"(ii) the manner by which the State agency will limit participation to only those private establishments that the State determines necessary to meet the need identified in clause (i); and

"(iii) any other conditions the Secretary may prescribe, such as the level of security necessary to ensure that only eligible recipients participate in the program; and

"(B) a report by the State agency to the Secretary annually, the schedule of which shall be established by the Secretary, that includes—

"(i) the number of households and individual recipients authorized to participate in the program, including any information on whether the individual recipient is elderly, disabled, or homeless; and

"(ii) an assessment of whether the program is meeting an established need, as documented under subparagraph (A)(i).".

(b) APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) is amended by adding at the end the following:

"(h) PRIVATE ESTABLISHMENTS.—

"(1) IN GENERAL.—Subject to paragraph (2), no private establishment that contracts with a State agency to offer meals at concessional prices as described in paragraphs (3), (4), and (9) of section 3(k) may be authorized to accept and redeem benefits unless the Secretary determines that the participation of the private establishment is required to meet a documented need in accordance with section 11(e)(24).

"(2) EXISTING CONTRACTS.—

"(A) IN GENERAL.—If, on the day before the effective date of this subsection, a State has entered into a contract with a private establishment described in paragraph (1) and the Secretary has not determined that the participation of the private establishment is necessary to meet a documented need in accordance with section 11(e)(24), the Secretary shall allow the operation of the private establishment to continue without that determination of need for a period not to exceed 180 days from the date on which the Secretary establishes determination criteria, by regulation, under section 11(e)(24).

"(B) JUSTIFICATION.—If the Secretary determines to terminate a contract with a private establishment that is in effect on the effective date of this subsection, the Secretary shall provide justification to the State in which the private establishment is located for that termination.

"(3) REPORT TO CONGRESS.—Not later than 90 days after September 30, 2013, and 90 days after the last day of each fiscal year thereafter, the Secretary shall

report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the effectiveness of a program under this subsection using any information received from States under section 11(e)(24) as well as any other information the Secretary may have relating to the manner in which benefits are used.".

(c) CONFORMING AMENDMENTS.—Section 3(k) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(k)) is amended by inserting "subject to section 9(h)" after "concessional prices" each place it appears.

SEC. 4013. STATE VERIFICATION OPTION.

Section 11(p) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(p)) is amended to read as follows:

"(p) STATE VERIFICATION OPTION.—In carrying out the supplemental nutrition assistance program, a State agency shall be required to use an income and eligibility, or an immigration status, verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7), in accordance with standards set by the Secretary.".

SEC. 4014. REPEAL OF GRANT PROGRAM.

Section 11(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(t)) is repealed.

SEC. 4015. DATA EXCHANGE STANDARDIZATION FOR IMPROVED INTEROPERABILITY.

(a) DATA EXCHANGE STANDARDIZATION.—Section 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020) is amended by adding at the end the following:

"(v) DATA EXCHANGE STANDARDIZATION FOR IMPROVED INTEROPERABILITY.—

"(1) DATA EXCHANGE STANDARDS.—

"(A) DESIGNATION.—The Secretary, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State perspectives, shall, by rule, designate a data exchange standard for any category of information required to be reported under this Act.

"(B) DATA EXCHANGE STANDARDS MUST BE NONPROPRIETARY AND INTEROPERABLE.—The data exchange standard designated under subparagraph (A) shall, to the extent practicable, be nonproprietary and interoperable.

"(C) OTHER REQUIREMENTS.—In designating data exchange standards under this subsection, the Secretary shall, to the extent practicable, incorporate—

"(i) interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

"(ii) interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

"(iii) interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council.

"(2) DATA EXCHANGE STANDARDS FOR REPORTING.—

"(A) DESIGNATION.—The Secretary, in consultation with an interagency work group established by the Office of Management and Budget, and considering State perspectives, shall, by rule, designate data exchange standards to govern the data reporting required under this part.

"(B) REQUIREMENTS.—The data exchange standards required by subparagraph (A) shall, to the extent practicable—

"(i) incorporate a widely-accepted, nonproprietary, searchable, computer-readable format;

"(ii) be consistent with and implement applicable accounting principles; and

"(iii) be capable of being continually upgraded as necessary.

"(C) INCORPORATION OF NONPROPRIETARY STANDARDS.—In designating reporting standards under this subsection, the Secretary shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Markup Language.".

(b) EFFECTIVE DATES.—

(1) DATA EXCHANGE STANDARDS.—The Secretary of Agriculture shall issue a proposed rule under section 11(v)(1) of the Food and Nutrition Act of 2008 within 12 months after the effective date of this section, and shall issue a final rule under such section after public comment, within 24 months after such effective date.

(2) DATA REPORTING STANDARDS.—The reporting standards required under section 11(v)(2) of such Act shall become effective with respect to reports required in the first reporting period, after the effective date of the final rule referred to in paragraph (1) of this subsection, for which the authority for data collection and reporting is established or renewed under the Paperwork Reduction Act.

SEC. 4016. REPEAL OF BONUS PROGRAM.

Section 16(d) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(d)) is repealed.

SEC. 4017. FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.

Section 16(h)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)(1)(A)) is amended by striking "$90,000,000" and inserting "$79,000,000".

SEC. 4018. MONITORING EMPLOYMENT AND TRAINING PROGRAM.

(a) REPORTING MEASURES.—Section 16(h)(5) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)(5)) is amended to read:

"(5)(A) IN GENERAL.—The Secretary shall monitor the employment and training programs carried out by State agencies under section 6(d)(4) and assess their effectiveness in—

"(i) preparing members of households participating in the supplemental nutrition assistance program for employment, including the acquisition of basic skills necessary for employment; and

"(ii) increasing the numbers of household members who obtain and retain employment subsequent to their participation in such employment and training programs.

"(B) REPORTING MEASURES.—The Secretary, in consultation with the Secretary of Labor, shall develop reporting measures that identify improvements in the skills, training education or work experience of members of households participating in the supplemental nutrition assistance program. Measures shall be based on common measures of performance for federal workforce training programs, so long as they reflect the challenges facing the types of members of households participating in the supplemental nutrition assistance program who participate in a specific employment and training component. The Secretary shall require that each State employment and training plan submitted under section 11(3)(19) identify appropriate reporting measures for each of their proposed components that serve at least 100 people. Such measures may include:

"(i) the percentage and number of program participants who received employment and training services and are in unsubsidized employment subsequent to the receipt of those services;

"(ii) the percentage and number of program participants who obtain a recognized postsecondary credential, including a registered apprenticeship, or a regular secondary school diploma or its recognized equivalent, while participating in or within 1 year after receiving employment and training services;

"(iii) the percentage and number of program participants who are in an education or training program that is intended to lead to a recognized postsecondary credential, including a registered apprenticeship or on-the-job training program, a regular secondary school diploma or its recognized equivalent, or unsubsidized employment;

"(iv) subject to the terms and conditions set by the Secretary, measures developed by each State agency to assess the skills acquisition of employment and training program participants that reflect the goals of their specific employment and training program components, which may include, but are not limited to—

"(I) the percentage and number of program participants who are meeting program requirements in each component of the State's education and training program; and

"(II) the percentage and number of program participants who are gaining skills likely to lead to employment as measured through testing, quantitative or qualitative assessment or other method; and

"(v) other indicators as approved by the Secretary.

"(C) STATE REPORT.—Each State agency shall annually prepare and submit to the Secretary a report on the State's employment and training program that includes the numbers of supplemental nutrition assistance program participants who have gained skills, training, work or experience that will increase their ability to obtain regular employment using measures identified in subparagraph (B).

"(D) MODIFICATIONS TO THE STATE EMPLOYMENT AND TRAINING PLAN.—Subject to the terms and conditions established by the Secretary, if the Secretary deter-

mines that the state agency's performance with respect to employment and training outcomes is inadequate, the Secretary may require the State agency to make modifications to their employment and training plan to improve such outcomes.

"(E) PERIODIC EVALUATION.—

"(i) IN GENERAL.—Subject to terms and conditions established by the Secretary, not later than October 1, 2015, and not less frequently than once every 5 years thereafter, the Secretary shall conduct a study to review existing practice and research to identify employment and training program components and practices that—

"(I) effectively assist members of households participating in the supplemental nutrition assistance program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment, and

"(II) are best integrated with statewide workforce development systems.

"(ii) REPORT TO CONGRESS.—The Secretary shall submit a report that describes the results of the study under clause (i) to the Committee on Agriculture in the House of Representatives, and the Committee on Agriculture, Nutrition and Forestry in the Senate.".

(b) EFFECTIVE DATE.—Notwithstanding section 4(c) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(a)), the Secretary shall issue interim final regulations implementing the amendment made by subsection (a) no later than 18 months after the date of enactment of this Act. States shall include such reporting measures in their employment and training plans for the 1st fiscal year thereafter that begins no sooner than 6 months after the date that such regulations are published.

SEC. 4019. COOPERATION WITH PROGRAM RESEARCH AND EVALUATION.

Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended by adding at the end the following:

"(l) COOPERATION WITH PROGRAM RESEARCH AND EVALUATION.—States, State agencies, local agencies, institutions, facilities such as data consortiums, and contractors participating in programs authorized under this Act shall cooperate with officials and contractors acting on behalf of the Secretary in the conduct of evaluations and studies under this Act and shall submit information at such time and in such manner as the Secretary may require.".

SEC. 4020. AUTHORIZATION OF APPROPRIATIONS.

Section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)) is amended in the 1st sentence by striking "2012" and inserting "2017".

SEC. 4021. LIMITATION ON USE OF BLOCK GRANT TO PUERTO RICO.

Section 19(a)(2)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2028(a)(2)(B)) is amended by adding at the end the following:

"(iii) LIMITATION ON USE OF FUNDS.—None of the funds made available to the Commonwealth of Puerto Rico under this subparagraph may be used to provide nutrition assistance in the form of cash benefits.".

SEC. 4022. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.

(a) DEFINITION.—Section 25(a)(1)(B)(i) of the Food and Nutrition Act of 2008 (7 U.S.C. 2034(a)(1)(B)(i)) is amended—

(1) in subclause (II) by striking "and" at the end;

(2) in subclause (III) by striking "or" at the end and inserting "and"; and

(3) by adding at the end the following:

"(IV) to provide incentives for the consumption of fruits and vegetables among low-income individuals; or".

(b) ADDITIONAL FUNDING.—Section 25(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2034) is amended by adding at the end the following:

"(3) FUNDING.—

"(A) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section not less than $10,000,000 for fiscal year 2013 and each fiscal year thereafter. Of the amount made available under this subparagraph for each such fiscal year, $5,000,000 shall be available to carry out subsection (a)(1)(B)(I)(IV).

"(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section, the funds transferred under subparagraph (A) without further appropriation.

"(C) MAINTENANCE OF FUNDING.—The funding provided under subparagraph (A) shall supplement (and not supplant) other Federal funding made available to the Secretary to carry out this section.".

SEC. 4023. EMERGENCY FOOD ASSISTANCE.

(a) PURCHASE OF COMMODITIES.—Section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) is amended—

(1) in paragraph (1) by striking "2008 through 2012" and inserting "2012 through 2017"; and

(2) in paragraph (2)—

(A) by striking subparagraphs (A) and (B) and inserting the following:

"(A) for fiscal year 2012, $260,250,000;

"(B) for fiscal year 2013 the dollar amount of commodities specified in subparagraph (A) adjusted by the percentage by which the thrifty food plan has been adjusted under section 3(u)(4) between June 30, 2011 and June 30, 2012, and subsequently increased by $20,000,000;";

(B) in subparagraph (C)—

(i) by striking "2010 through 2012, the dollar amount of commodities specified in" and inserting "2014 through 2017, the total amount of commodities under"; and

(ii) by striking "2008" and inserting "2012"; and

(iii) by striking the period at the end and inserting:"; and"; and

(C) by adding at the end the following:

"(D) for fiscal year 2013 the dollar amount of commodities specified in subparagraph (B), and for each of the fiscal years 2014 through 2017 the respective dollar amount of commodities specified in subparagraph (C), increased by $5,000,000.".

(b) EMERGENCY FOOD PROGRAM INFRASTRUCTURE GRANTS.—Section 209(d) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7511a(d)) is amended by striking "2012" and inserting "2017".

SEC. 4024. NUTRITION EDUCATION.

Section 28(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(b)) is amended by inserting "and physical activity" after "healthy food choices".

SEC. 4025. RETAILER TRAFFICKING.

The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

"SEC. 29. RETAILER TRAFFICKING.

"(a) PURPOSE.—The purpose of this section is to provide the Department of Agriculture with additional resources to prevent trafficking in violation of this Act by strengthening recipient and retailer program integrity. Additional funds are provided to supplement the Department's payment accuracy, and retailer and recipient integrity activities.

"(b) FUNDING.—

"(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section not less than $5,000,000 for fiscal year 2013 and each fiscal year thereafter.

"(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1) without further appropriation.

"(3) MAINTENANCE OF FUNDING.—The funding provided under paragraph (1) shall supplement (and not supplant) other Federal funding for programs carried out under this Act.".

SEC. 4026. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) is amended—

(1) in subsection (g) by striking "coupon," the last place it appears and inserting "coupon";

(2) in subsection (k)(7) by striking "or are" and inserting "and";

(3) by striking subsection (l);

(4) by redesignating subsections (m) through (t) as subsections (l) through (s), respectively; and

(5) by inserting after subsection (s) (as so redesignated) the following:

"(t) 'Supplemental nutritional assistance program' means the program operated pursuant to this Act.".

(b) Section 4(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(a)) is amended by striking "benefits" the last place it appears and inserting "Benefits".

(c) Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(1) in the last sentence of subsection (i)(2)(D) by striking "section 13(b)(2)" and inserting "section 13(b)"; and

(2) in subsection (k)(4)(A) by striking "paragraph (2)(H)" and inserting "paragraph (2)(G)".

(d) Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended—

(1) in subparagraph (B)(vii) by moving the left margin 2 ems to the left, and

(2) in subparagraph(F)(iii) by moving the left margin 4 ems to the left.

(e) Section 7(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) is amended by redesignating the 2d paragraph (12) as paragraph (13).

(f) Section 9(a)(3) of the Food and Nutrition Act of 2008 (7 U.S.C. 2018(a)) is amended by moving the left margin 2 ems to the left.

(g) Section 12 of the Food and Nutrition Act of 2008 (7 U.S.C. 2021) is amended—

(1) in subsection (b)(3)(C) by striking "civil money penalties" and inserting "civil penalties"; and

(2) in subsection (g)(1) by striking "(7 U.S.C. 1786)" and inserting "(42 U.S.C. 1786)".

(h) Section 15(b)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2024(b)(1)) is amended in the 1st sentence by striking "an benefit" and inserting "a benefit".

(i) Section 16(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(a)) is amended in the proviso following paragraph (8) by striking ", as amended.".

(j) Section 18(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(e)) is amended in the 1st sentence by striking "sections 7(f)" and inserting "section 7(f)".

(k) Section 22(b)(10)(B)(i) of the Food and Nutrition Act of 2008 (7 U.S.C. 2031(b)(10)(B)(i)) is amended in the last sentence by striking "Food benefits" and inserting "Benefits".

(l) Section 26(f)(3)(C) of the Food and Nutrition Act of 2008 (7 U.S.C. 2035(f)(3)(C)) is amended by striking "subsection" and inserting "subsections".

(m) Section 27(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)(1)) is amended by striking "(Public Law 98–8; 7 U.S.C. 612c note)" and inserting "(7 U.S.C. 7515)".

(n) Section 509 of the Older Americans Act of 1965 (42 U.S.C. 3056g) is amended in the section heading by striking "**FOOD STAMP PROGRAMS**" and inserting "**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**".

(o) Section 4115(c)(2)(H) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1871) is amended by striking "531" and inserting "454".

(p) Section 3803(c)(2)(C)(vii) of title 31 of the United States Code is amended by striking "section 3(l)" each place it appears and inserting "section 3(s)".

(q) Section 115 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193) is amended—

(1) in subsection (a)(2) by striking "section 3(l)" and inserting "section 3(s)";

(2) in subsection (b)(2) by striking "section 3(l)" and inserting "section 3(s)"; and

(3) in subsection (e)(2) by striking "section 3(l)" and inserting "section 3(s)".

(r) The Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c) is amended—

(1) in section 4(a) by striking "Food Stamp Act of 1977" and inserting "Food and Nutrition Act of 2008"; and

(2) in section 5—

(A) in subsection (i)(1) by striking "Food Stamp Act of 1977" and inserting "Food and Nutrition Act of 2008"; and

(B) in subsection (l)(2)(B) by striking "Food Stamp Act of 1977" and inserting "Food and Nutrition Act of 2008".

(s) The Social Security Act (42 U.S.C. 301 et seq.) is amended—

(1) in the heading of section 453(j)(10) by striking "FOOD STAMP" and inserting "SUPPLEMENTAL NUTRITION ASSISTANCE";

(2) in section 1137—

(A) in subsection (a)(5)(B) by striking "food stamp" and inserting "supplemental nutrition assistance"; and

(B) in subsection (b)(4) by striking "food stamp program under the Food Stamp Act of 1977" and inserting "supplemental nutrition assistance program under the Food and Nutrition Act of 2008"; and

(3) in the heading of section 1631(n) by striking "FOOD STAMP" and inserting "SUPPLEMENTAL NUTRITION ASSISTANCE".

SEC. 4027. TOLERANCE LEVEL FOR EXCLUDING SMALL ERRORS.

The Secretary shall set the tolerance level for excluding small errors for the purposes of section 16(c) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c))—

(1) for fiscal year 2013 at an amount no greater than $25; and

(2) for each fiscal year thereafter, the amount specified in paragraph (1) adjusted by the percentage by which the thrifty food plan is adjusted under section 3(u)(4) of such Act between June 30, 2011, and June 30 of the immediately preceding fiscal year.

SEC. 4028. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PILOT PROGRAM.

(a) STUDY.—

(1) IN GENERAL.—Prior to establishing the pilot program under subsection (b), the Secretary shall conduct a study to be completed not later than 2 years after the effective date of this section to assess—

(A) the capabilities of the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program in the same manner in which the program is operated in the States (as defined in section 3 of the Food and Nutrition Act (7 U.S.C. 2011 et seq)); and

(B) alternative models of the supplemental nutrition assistance program operation and benefit delivery that best meet the nutrition assistance needs of the Commonwealth of the Northern Mariana Islands.

(2) SCOPE.—The study conducted under paragraph (1)(A) will assess the capability of the Commonwealth to fulfill the responsibilities of a State agency, including—

(A) extending and limiting participation to eligible households, as prescribed by sections 5 and 6 of the Act;

(B) issuing benefits through EBT cards, as prescribed by section 7 of the Act;

(C) maintaining the integrity of the program, including operation of a quality control system, as prescribed by section 16(c) of the Act;

(D) implementing work requirements, including operating an employment and training program, as prescribed by section 6(d) of the Act; and

(E) paying a share of administrative costs with non-Federal funds, as prescribed by section 16(a) of the Act.

(b) ESTABLISHMENT.—If the Secretary determines that a pilot program is feasible, the Secretary shall establish a pilot program for the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program in the same manner in which the program is operated in the States.

(c) SCOPE.—The Secretary shall utilize the information obtained from the study conducted under subsection (a) to establish the scope of the pilot program established under subsection (b).

(d) REPORT.—Not later than June 30, 2018, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the pilot program carried out under this section, including an analysis of the feasibility of operating in the Commonwealth of the Northern Mariana Islands the supplemental nutrition assistance program as it is operated in the States.

(e) FUNDING.—

(1) STUDY.—Of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008, the Secretary may use not more than $1,000,000 in each of fiscal years 2013 and 2014 to conduct the study described in subsection (a).

(2) PILOT PROGRAM.—Of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008, for the purposes of establishing and carrying out the pilot program established under subsection (b) of this section, including the Federal costs for providing technical assistance to the Commonwealth, authorizing and monitoring retail food stores, and assessing pilot operations, the Secretary may use not more than—

(A) $13,500,000 in fiscal year 2015; and

(B) $8,500,000 in each of fiscal years 2016 and 2017.

SEC. 4029. ANNUAL STATE REPORT ON VERIFICATION OF SNAP PARTICIPATION.

(a) ANNUAL REPORT.—Not later 1 year after the date specified by the Secretary in the 180-period beginning on the date of the enactment of this Act, and annually thereafter, each State agency that carries out the supplemental nutrition assistance program shall submit to the Secretary a report containing sufficient information for the Secretary to determine whether the State agency has, for the then most recently concluded fiscal year preceding such annual date, verified that households to which such State agency provided such assistance in such fiscal year—

(1) did not obtain benefits attributable to a deceased individual; and

(2) did not include an individual who was simultaneously included in a household receiving such assistance in another State.

(b) PENALTY FOR NONCOMPLIANCE.—For any fiscal year for which a State agency fails to comply with subsection (a), the Secretary shall reduce by 50 percent the

amount otherwise payable to such State agency under section 16(a) of the Food and Nutrition Act of 2008 with respect to such fiscal year.

Subtitle B—Commodity Distribution Programs

SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.

Section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended in the 1st sentence by striking "2012" and inserting "2017".

SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.

Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended—

(1) in paragraphs (1) and (2)(B) of subsection (a) by striking "2012" each place it appears and inserting "2017";

(2) in the 1st sentence of subsection (d)(2) by striking "2012" and inserting "2017";

(3) by striking subsection (g) and inserting the following:

"(g) ELIGIBILITY.—Except as provided in subsection (m), the States shall only provide assistance under the commodity supplemental food program to low-income individuals aged 60 and older."; and

(4) by adding at the end the following:

"(m) PHASE-OUT.—Notwithstanding any other provision of law, an individual who receives assistance under the commodity supplemental food program on the day before the effective date of this subsection shall continue to receive that assistance until the date on which the individual no longer qualifies for assistance under the eligibility criteria for the program in effect on the day before the effective date of this subsection.".

SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.

Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended in the 1st sentence by striking "2012" and inserting "2017".

SEC. 4104. PROCESSING OF COMMODITIES.

(a) Section 17 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note) is amended by—

(1) striking the heading and inserting "**COMMODITY DONATIONS AND PROCESSING**"; and

(2) adding at the end the following:

"(c) PROCESSING.—For any program included in subsection (b), the Secretary may, notwithstanding any other provision of State or Federal law relating to the procurement of goods and services—

"(1) retain title to commodities delivered to a processor, on behalf of a State (including a State distributing agency and a recipient agency), until such time as end products containing such commodities, or similar commodities as approved by the Secretary, are delivered to a State distributing agency or to a recipient agency; and

"(2) promulgate regulations to ensure accountability for commodities provided to a processor for processing into end products, and to facilitate processing of commodities into end products for use by recipient agencies. Such regulations may provide that—

"(A) a processor that receives commodities for processing into end products, or provides a service with respect to such commodities or end products, in accordance with its agreement with a State distributing agency or a recipient agency, provide to the Secretary a bond or other means of financial assurance to protect the value of such commodities; and

"(B) in the event a processor fails to deliver to a State distributing agency or a recipient agency an end product in conformance with the processing agreement entered into under this Act, the Secretary take action with respect to the bond or other means of financial assurance pursuant to regulations promulgated under this paragraph and distribute any proceeds obtained by the Secretary to one or more State distributing agencies and recipient agencies as determined appropriate by the Secretary.".

(b) DEFINITIONS.—Section 18 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) The term 'commodities' means agricultural commodities and their products that are donated by the Secretary for use by recipient agencies.

"(2) The term 'end product' means a food product that contains processed commodities.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 3 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended—

(1) in subsection (a)—

(A) in paragraph (2) by striking subparagraph (B) and inserting the following:

"(B) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));"; and

(B) in paragraph (3)(D) by striking "the Committee on Education and Labor" and inserting "the Committee on Education and the Workforce";

(2) in subsection (b)(1)(A)(ii) by striking "section 32 of the Agricultural Adjustment Act (7 U.S.C. 601 et seq.)" and inserting "section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)";

(3) in subsection (e)(1)(D)(iii) by striking subclause (II) and inserting the following:

"(II) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));"; and

(4) in subsection (k) by striking "the Committee on Education and Labor" and inserting "the Committee on Education and the Workforce".

Subtitle C—Miscellaneous

SEC. 4201. FARMERS' MARKET NUTRITION PROGRAM.

Section 4402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007) is amended—

(1) in the section heading by striking "**SENIORS**";

(2) by amending subsection (a) to read as follows:

"(a) FUNDING.—

"(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall use to carry out and expand the farmers market nutrition program $20,600,000 for each of fiscal years 2013 through 2017.

"(2) ADDITIONAL FUNDING.—There is authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2013 through 2017.";

(3) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "seniors"; and

(B) in paragraph (1) by inserting ", and low-income families who are determined to be at nutritional risk" after "low-income seniors";

(4) in subsection (c) by striking "seniors";

(5) in subsection (d) by striking "seniors";

(6) in subsection (e) by striking "seniors";

(7) by redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g), respectively; and

(8) by inserting after subsection (b) the following:

"(c) STATE GRANTS AND OTHER ASSISTANCE.—The Secretary shall carry out the Program through grants and other assistance provided in accordance with agreements made with States, for implementation through State agencies and local agencies, that include provisions—

"(1) for the issuance of coupons or vouchers to participating individuals;

"(2) establishing an appropriate annual percentage limitation on the use of funds for administrative costs; and

"(3) specifying other terms and conditions as the Secretary deems appropriate to encourage expanding the participation of small scale farmers in Federal nutrition programs.".

SEC. 4202. NUTRITION INFORMATION AND AWARENESS PILOT PROGRAM.

Section 4403 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3171 note; Public Law 107–171) is repealed.

SEC. 4203. FRESH FRUIT AND VEGETABLE PROGRAM.

Section 19 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769a) is amended—

(1) in the section heading, by striking "**FRESH**";

(2) in subsection (a), by striking "fresh";

(3) in subsection (b), by striking "fresh"; and

(4) in subsection (e), by striking "fresh".

SEC. 4204. ADDITIONAL AUTHORITY FOR PURCHASE OF FRESH FRUITS, VEGETABLES, AND OTHER SPECIALTY FOOD CROPS.

Section 10603 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 612c–4) is amended—

(1) in subsection (b), by striking "2012" and inserting "2017";

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection:

"(c) PILOT GRANT PROGRAM FOR PURCHASE OF FRESH FRUITS AND VEGETABLES.—

"(1) IN GENERAL.—Using amounts made available to carry out subsection (b), the Secretary of Agriculture shall conduct a pilot program under which the Secretary will give not more than five participating States the option of receiving a grant in an amount equal to the value of the commodities that the participating State would otherwise receive under this section for each of fiscal years 2013 through 2017.

"(2) USE OF GRANT FUNDS.—A participating State receiving a grant under this subsection may use the grant funds solely to purchase fresh fruits and vegetables for distribution to schools and service institutions in the State that participate in the food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(3) SELECTION OF PARTICIPATING STATES.—The Secretary shall select participating States from applications submitted by the States.

"(4) REPORTING REQUIREMENTS.—

"(A) SCHOOL AND SERVICE INSTITUTION REQUIREMENT.—Schools and service institutions in a participating State shall keep records of purchases of fresh fruits and vegetables made using the grant funds and report such records to the State.

"(B) STATE REQUIREMENT.—Each participating State shall submit to the Secretary a report on the success of the pilot program in the State, including information on—

"(i) the amount and value of each type of fresh fruit and vegetable purchased by the State; and

"(ii) the benefit provided by such purchases in conducting the school food service in the State, including meeting school meal requirements.".

SEC. 4205. ENCOURAGING LOCALLY AND REGIONALLY GROWN AND RAISED FOOD.

(a) COMMODITY PURCHASE STREAMLINING.—The Secretary may permit each school food authority with a low annual commodity entitlement value, as determined by the Secretary, to elect to substitute locally and regionally grown and raised food for the authority's allotment, in whole or in part, of commodity assistance for the school meal programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), if—

(1) the election is requested by the school food authority;

(2) the Secretary determines that the election will reduce State and Federal administrative costs; and

(3) the election will provide the school food authority with greater flexibility to purchase locally and regionally grown and raised foods.

(b) FARM-TO-SCHOOL DEMONSTRATION PROGRAMS.—

(1) IN GENERAL.—The Secretary may establish farm-to-school demonstration programs under which school food authorities, agricultural producers producing for local and regional markets, and other farm-to-school stakeholders will collaborate with the Agriculture Marketing Service to, on a cost neutral basis, source food for the school meal programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) from local farmers and ranchers in lieu of the commodity assistance provided to the school food authorities for the school meal programs.

(2) REQUIREMENTS.—

(A) IN GENERAL.—Each demonstration program carried out under this subsection shall—

(i) facilitate and increase the purchase of unprocessed and minimally processed locally and regionally grown and raised agricultural products to be served under the school meal programs;

(ii) test methods to improve procurement, transportation, and meal preparation processes for the school meal programs;

(iii) assess whether administrative costs can be saved through increased school authority flexibility to source locally and regionally produced foods for the school meal programs; and

(iv) undertake rigorous evaluation and share information about results of the demonstration program, including cost savings, with the

Secretary, other school food authorities, agricultural producers producing for the local and regional market, and the general public.

(B) PLANS.—In order to be selected to carry out a demonstration program under this subsection, a school food authority shall submit to the Secretary a plan at such time and in such manner as the Secretary may require, and containing information with respect to the requirements described in clauses (i) through (iv) of subparagraph (A).

(3) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to demonstration program participants to assist such participants to acquire bids from potential vendors in a timely and cost-effective manner.

(4) LENGTH.—The Secretary shall determine the appropriate length of time for each demonstration program under this subsection.

(5) COORDINATION.—The Secretary shall coordinate among relevant agencies of the Department of Agriculture and non-governmental organizations with appropriate expertise to facilitate the provision of training and technical assistance necessary to the successful implementation of demonstration programs carried out under this subsection.

(6) NUMBER.—Subject to the availability of funds to carry out this subsection, the Secretary of Agriculture shall implement at least 10 demonstration programs under this subsection.

(7) DIVERSITY AND BALANCE.—In carrying out demonstration programs under this subsection, the Secretary shall, to the maximum extent practicable, ensure—

(A) geographical diversity;

(B) at least half of the demonstration programs are completed in collaboration with school food authorities with small annual commodity entitlements, as determined by the Secretary;

(C) at least half of the demonstration programs are completed in rural or tribal communities;

(D) equitable treatment of school food authorities with a high percentage of students eligible for free or reduced price lunches, as determined by the Secretary; and

(E) at least one of the demonstration programs is completed on a military installation as defined in section 2687(e)(1) of title 10, United States Code.

TITLE V—CREDIT

Subtitle A—Farm Ownership Loans

SEC. 5001. ELIGIBILITY FOR FARM OWNERSHIP LOANS.

(a) IN GENERAL.—Section 302(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922(a)) is amended—

(1) by striking "(a) IN GENERAL.—The" and inserting the following:

"(a) IN GENERAL.—

"(1) ELIGIBILITY REQUIREMENTS.—The";

(2) in the 1st sentence, by inserting after "limited liability companies" the following: ", and such other legal entities as the Secretary deems appropriate,";

(3) in the 2nd sentence, by redesignating clauses (1) through (4) as clauses (A) through (D), respectively;

(4) in each of the 2nd and 3rd sentences, by striking "and limited liability companies" each place it appears and inserting "limited liability companies, and such other legal entities";

(5) in the 3rd sentence, by striking "(3)" and "(4)" and inserting "(C)" and "(D)", respectively; and

(6) by adding at the end the following:

"(2) SPECIAL DEEMING RULES.—

"(A) ELIGIBILITY OF CERTAIN OPERATING-ONLY ENTITIES.—An entity that is or will become only the operator of a family farm is deemed to meet the owner-operator requirements of paragraph (1) if the individuals that are the owners of the family farm own more than 50 percent (or such other percentage as the Secretary determines is appropriate) of the entity.

"(B) ELIGIBILITY OF CERTAIN EMBEDDED ENTITIES.—An entity that is an owner-operator described in paragraph (1), or an operator described in subparagraph (A) of this paragraph that is owned, in whole or in part, by other entities, is deemed to meet the direct ownership requirement imposed under paragraph (1) if at least 75 percent of the ownership interests of each

embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.".

(b) DIRECT FARM OWNERSHIP EXPERIENCE REQUIREMENT.—Section 302(b)(1) of such Act (7 U.S.C. 1922(b)(1)) is amended by inserting "or has other acceptable experience for a period of time, as determined by the Secretary," after "3 years".

(c) CONFORMING AMENDMENTS.—

(1) Section 304(c)(2) of such Act (7 U.S.C. 1924(c)(2)) by striking "paragraphs (1) and (2) of section 302(a)" and inserting "clauses (A) and (B) of section 302(a)(1)".

(2) Section 310D of such Act (7 U.S.C. 1934) is amended—

(A) by inserting after "partnership" the following: ", or such other legal entities as the Secretary deems appropriate,"; and

(B) by striking "or partners" each place it appears and inserting "partners, or owners".

SEC. 5002. CONSERVATION LOAN AND LOAN GUARANTEE PROGRAM.

(a) ELIGIBILITY.—Section 304(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(c)) is amended by inserting after "limited liability companies" the following: ", or such other legal entities as the Secretary deems appropriate,".

(b) LIMITATION ON LOAN GUARANTEE AMOUNT.—Section 304(e) of such Act (7 U.S.C. 1924(e)) is amended by striking "75 percent" and inserting "90 percent".

(c) EXTENSION OF PROGRAM.—Section 304(h) of such Act (7 U.S.C. 1924(h)) is amended by striking "2012" and inserting "2017".

SEC. 5003. DOWN PAYMENT LOAN PROGRAM.

(a) IN GENERAL.—Section 310E(b)(1)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1935(b)(1)(C)) is amended by striking "$500,000" and inserting "$667,000".

(b) TECHNICAL CORRECTION.—Section 310E(b) of such Act (7 U.S.C. 1935(b)) is amended by striking the 2nd paragraph (2).

SEC. 5004. ELIMINATION OF MINERAL RIGHTS APPRAISAL REQUIREMENT.

Section 307 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927) is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

Subtitle B—Operating Loans

SEC. 5101. ELIGIBILITY FOR FARM OPERATING LOANS.

Section 311(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941(a)) is amended—

(1) by striking "(a) IN GENERAL.—The" and inserting the following:

"(a) IN GENERAL.—

"(1) ELIGIBILITY REQUIREMENTS.—The";

(2) in the 1st sentence, by inserting after "limited liability companies" the following: ", and such other legal entities as the Secretary deems appropriate,";

(3) in the 2nd sentence, by redesignating clauses (1) through (4) as clauses (A) through (D), respectively;

(4) in each of the 2nd and 3rd sentences, by striking "and limited liability companies" each place it appears and inserting "limited liability companies, and such other legal entities";

(5) in the 3rd sentence, by striking "(3)" and "(4)" and inserting "(C)" and "(D)", respectively; and

(6) by adding at the end the following:

"(2) SPECIAL DEEMING RULE.—An entity that is an operator described in paragraph (1) that is owned, in whole or in part, by other entities, is deemed to meet the direct ownership requirement imposed under paragraph (1) if at least 75 percent of the ownership interests of each embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.".

SEC. 5102. ELIMINATION OF RURAL RESIDENCY REQUIREMENT FOR OPERATING LOANS TO YOUTH.

Section 311(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941(b)(1)) is amended by striking "who are rural residents".

SEC. 5103. AUTHORITY TO WAIVE PERSONAL LIABILITY FOR YOUTH LOANS DUE TO CIRCUMSTANCES BEYOND BORROWER CONTROL.

Section 311(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941(b)) is amended by adding at the end the following:

"(5) The Secretary may, on a case by case basis, waive the personal liability of a borrower for a loan made under this subsection if any default on the loan was due to circumstances beyond the control of the borrower.".

SEC. 5104. MICROLOANS.

(a) IN GENERAL.—Section 313 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943) is amended by adding at the end the following:

"(c) MICROLOANS.—

"(1) IN GENERAL.—Subject to paragraph (2), the Secretary may establish a program to make or guarantee microloans.

"(2) LIMITATION.—The Secretary shall not make or guarantee a microloan under this subsection that exceeds $35,000 or that would cause the total principal indebtedness outstanding at any 1 time for microloans made under this chapter to any 1 borrower to exceed $70,000.

"(3) APPLICATIONS.—To the maximum extent practicable, the Secretary shall limit the administrative burdens and streamline the application and approval process for microloans under this subsection.

"(4) COOPERATIVE LENDING PROJECTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may contract with community-based and nongovernmental organizations, State entities, or other intermediaries, as the Secretary determines appropriate—

"(i) to make or guarantee a microloan under this subsection; and

"(ii) to provide business, financial, marketing, and credit management services to borrowers.

"(B) REQUIREMENTS.—Before contracting with an entity described in subparagraph (A), the Secretary—

"(i) shall review and approve—

"(I) the loan loss reserve fund for microloans established by the entity; and

"(II) the underwriting standards for microloans of the entity; and

"(ii) establish such other requirements for contracting with the entity as the Secretary determines necessary.".

(b) EXCEPTIONS FOR DIRECT LOANS.—Section 311(c)(2) of such Act (7 U.S.C. 1941(c)(2)) is amended to read as follows:

"(2) EXCEPTIONS.—In this subsection, the term 'direct operating loan' shall not include—

"(A) a loan made to a youth under subsection (b); or

"(B) a microloan made to a young beginning farmer or rancher or a military veteran farmer, as defined by the Secretary.".

(c) Section 312(a) of such Act (7 U.S.C. 1942(a)) is amended by inserting "(including a microloan, as defined by the Secretary)" after "A direct loan".

(d) Section 316(a)(2) of such Act (7 U.S.C. 1946(a)(2)) is amended by inserting "a microloan to a beginning farmer or rancher or military veteran farmer or" after "The interest rate on".

Subtitle C—Emergency Loans

SEC. 5201. ELIGIBILITY FOR EMERGENCY LOANS.

Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) by striking "owner-operators (in the case of loans for a purpose under subtitle A) or operators (in the case of loans for a purpose under subtitle B)" each place it appears and inserting "(in the case of farm ownership loans in accordance with subtitle A) owner-operators or operators, or (in the case of loans for a purpose under subtitle B) operators";

(2) by inserting after "limited liability companies" the 1st place it appears the following: ", or such other legal entities as the Secretary deems appropriate"; and

(3) by inserting after "limited liability companies" the 2nd place it appears the following: ", or other legal entities";

(4) by striking "and limited liability companies," and inserting "limited liability companies, and such other legal entities";

(5) by striking "ownership and operator" and inserting "ownership or operator"; and

(6) by adding at the end the following: "An entity that is an owner-operator or operator described in this subsection is deemed to meet the direct ownership requirement imposed under this subsection if at least 75 percent of the owner-

ship interests of each embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.".

Subtitle D—Administrative Provisions

SEC. 5301. BEGINNING FARMER AND RANCHER INDIVIDUAL DEVELOPMENT ACCOUNTS PILOT PROGRAM.

Section 333B(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b(h)) is amended by striking "2012" and inserting "2017".

SEC. 5302. ELIGIBLE BEGINNING FARMERS AND RANCHERS.

(a) CONFORMING AMENDMENTS RELATING TO CHANGES IN ELIGIBILITY RULES.—Section 343(a)(11) of such Act (7 U.S.C. 1991(a)(11)) is amended—

(1) by inserting after "joint operation," the 1st place it appears the following: "or such other legal entity as the Secretary deems appropriate,";

(2) by striking "or joint operators" each place it appears and inserting "joint operators, or owners"; and

(3) by inserting after "joint operation," the 2nd and 3rd place it appears the following: "or such other legal entity,".

(b) MODIFICATION OF ACREAGE OWNERSHIP LIMITATION.—Section 343(a)(11)(F) of such Act (7 U.S.C. 1991(a)(11)(F)) is amended by striking "median acreage" and inserting "average acreage".

SEC. 5303. LOAN AUTHORIZATION LEVELS.

Section 346(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(1)) is amended in the matter preceding subparagraph (A) by striking "2012" and inserting "2017".

SEC. 5304. PRIORITY FOR PARTICIPATION LOANS.

Section 346(b)(2)(A)(i) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(i)) is amended by adding at the end the following:

"(III) PRIORITY.—In order to maximize the number of borrowers served under this clause, the Secretary—

"(aa) shall give priority to applicants who apply under the down payment loan program under section 310E or joint financing arrangements under section 307(a)(3)(D); and

"(bb) may offer other financing options under this subtitle to applicants only if the Secretary determines that down payment or other participation loan options are not a viable approach for the applicants.".

SEC. 5305. LOAN FUND SET-ASIDES.

Section 346(b)(2)(A)(ii)(III) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(ii)(III)) is amended—

(1) by striking "2012" and inserting "2017"; and

(2) by striking "of the total amount".

SEC. 5306. CONFORMING AMENDMENT TO BORROWER TRAINING PROVISION, RELATING TO ELIGIBILITY CHANGES.

Section 359(c)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006a(c)(2)) is amended by striking "section 302(a)(2) or 311(a)(2)" and inserting "section 302(a)(1)(B) or 311(a)(1)(B)".

Subtitle E—State Agricultural Mediation Programs

SEC. 5401. STATE AGRICULTURAL MEDIATION PROGRAMS.

Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking "2015" and inserting "2017".

Subtitle F—Loans to Purchasers of Highly Fractionated Land

SEC. 5501. LOANS TO PURCHASERS OF HIGHLY FRACTIONATED LAND.

The first section of Public Law 91–229 (25 U.S.C. 488) is amended in subsection (b)(1) by striking "pursuant to section 205(c) of the Indian Land Consolidation Act

(25 U.S.C. 2204(c))" and inserting "or to intermediaries in order to establish revolving loan funds for the purchase of highly fractionated land".

TITLE VI—RURAL DEVELOPMENT

Subtitle A—Consolidated Farm and Rural Development Act

SEC. 6001. WATER, WASTE DISPOSAL, AND WASTEWATER FACILITY GRANTS.

Section 306(a)(2)(B)(vii) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)(B)(vii)) by striking "$30,000,000 for each of fiscal years 2008 through 2012" and inserting "$15,000,000 for each of fiscal years 2013 through 2017".

SEC. 6002. RURAL BUSINESS OPPORTUNITY GRANTS.

Section 306(a)(11)(D) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)(D)) is amended by striking "$15,000,000 for each of fiscal years 2008 through 2012" and inserting "$15,000,000 for each of fiscal years 2013 through 2017".

SEC. 6003. ELIMINATION OF RESERVATION OF COMMUNITY FACILITIES GRANT PROGRAM FUNDS.

Section 306(a)(19) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(19)) is amended by striking subparagraph (C).

SEC. 6004. RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.

Section 306(a)(22) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(22)) is amended to read as follows:

"(22) RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.—

"(A) IN GENERAL.—The Secretary shall continue a national rural water and wastewater circuit rider program that—

"(i) is consistent with the activities and results of the program conducted before the date of enactment of this paragraph, as determined by the Secretary; and

"(ii) receives funding from the Secretary, acting through the Rural Utilities Service.

"(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $20,000,000 for fiscal year 2013 and each fiscal year thereafter.".

SEC. 6005. TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.

Section 306(a)(25)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(25)(C)) is amended by striking "$10,000,000 for each of fiscal years 2008 through 2012" and inserting "$5,000,000 for each of fiscal years 2013 through 2017".

SEC. 6006. EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

Section 306A(i)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a(i)(2)) is amended by striking "$35,000,000 for each of fiscal years 2008 through 2012" and inserting "$27,000,000 for each of fiscal years 2013 through 2017".

SEC. 6007. GRANTS TO NONPROFIT ORGANIZATIONS TO FINANCE THE CONSTRUCTION, REFURBISHING, AND SERVICING OF INDIVIDUALLY-OWNED HOUSEHOLD WATER WELL SYSTEMS IN RURAL AREAS FOR INDIVIDUALS WITH LOW OR MODERATE INCOMES.

Section 306E(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926e(d)) is amended by striking "$10,000,000 for each of fiscal years 2008 through 2012" and inserting "$5,000,000 for each of fiscal years 2013 through 2017".

SEC. 6008. RURAL BUSINESS AND INDUSTRY LOAN PROGRAM.

(a) FLEXIBILITY FOR THE BUSINESS AND LOAN PROGRAM.—Section 310B(a)(2)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(2)(A)) is amended by inserting "including working capital" after "employment".

(b) GREATER FLEXIBILITY FOR ADEQUATE COLLATERAL THROUGH ACCOUNTS RECEIVABLE.—Section 310B(g)(7) of such Act (7 U.S.C. 1932(g)(7)) is amended by adding at the end the following: "In the discretion of the Secretary, if the Secretary determines that the action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government, the Secretary may take ac-

count receivables as security for the obligations entered into in connection with loans and a borrower may use account receivables as collateral to secure a loan made or guaranteed under this subsection.".

(c) REGULATIONS.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall promulgate such regulations as are necessary to implement the amendments made by this section.

SEC. 6009. RURAL COOPERATIVE DEVELOPMENT GRANTS.

Section 310B(e)(12) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)(12)) is amended by striking "$50,000,000 for each of fiscal years 2008 through 2012" and inserting "$40,000,000 for each of fiscal years 2013 through 2017".

SEC. 6010. LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCTS.

Section 310B(g)(9)(B)(v)(I) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(9)(B)(v)(I)) is amended—

(1) by striking "2012" and inserting "2017"; and

(2) by inserting "and not more than 7 percent" after "5 percent".

SEC. 6011. INTERMEDIARY RELENDING PROGRAM.

(a) IN GENERAL.—Subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922–1936a) is amended by adding at the end the following:

"SEC. 310H. INTERMEDIARY RELENDING PROGRAM.

"(a) IN GENERAL.—The Secretary shall make loans to the entities, for the purposes, and subject to the terms and conditions specified in the 1st, 2nd, and last sentences of section 623(a) of the Community Economic Development Act of 1981 (42 U.S.C. 9812(a)).

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For loans under subsection (a), there are authorized to be appropriated to the Secretary not more than $10,000,000 for each of fiscal years 2013 through 2017.".

(b) CONFORMING AMENDMENTS.—Section 1323(b)(2) of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 1932 note) is amended—

(1) in subparagraph (A), by adding "and" at the end;

(2) in subparagraph (B), by striking "; and" and inserting a period; and

(3) by striking subparagraph (C).

SEC. 6012. ENHANCING PUBLIC/PRIVATE PARTNERSHIPS TO SUPPORT RURAL WATER AND WASTE DISPOSAL INFRASTRUCTURE.

Section 333 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983) is amended—

(1) by striking "require";

(2) in paragraph (1), by inserting "require" after "(1)";

(3) in paragraph (2), by inserting ", require" after "314";

(4) in paragraph (3), by inserting "require" after "loans,";

(5) in paragraph (4)—

(A) by inserting "require" after "(4)"; and

(B) by striking "and" after the semicolon;

(6) in paragraph (5)—

(A) by inserting "require" after "(5)"; and

(B) by striking the period at the end and inserting "; and"; and

(7) by adding at the end the following:

"(6) with respect to water and waste disposal direct and guaranteed loans provided under section 306, encourage, to the maximum extent practicable, private or cooperative lenders to finance rural water and waste disposal facilities by—

"(A) maximizing the use of loan guarantees to finance eligible projects in rural communities where the population exceeds 5,500;

"(B) maximizing the use of direct loans to finance eligible projects in rural communities where the impact on rate payers will be material when compared to financing with a loan guarantee;

"(C) establishing and applying a materiality standard when determining the difference in impact on rate payers between a direct loan and a loan guarantee;

"(D) in the case of projects that require interim financing in excess of $500,000, requiring that such projects initially seek such financing from private or cooperative lenders; and

"(E) determining if an existing direct loan borrower can refinance with a private or cooperative lender, including with a loan guarantee, prior to providing a new direct loan.".

SEC. 6013. SIMPLIFIED APPLICATIONS.

(a) IN GENERAL.—Section 333A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983a) is amended by adding at the end the following:

"(h) SIMPLIFIED APPLICATION FORMS.—Except as provided in subsection (g)(2) of this section, the Secretary shall, to the maximum extent practicable, develop a simplified application process, including a single page application where possible, for grants and relending authorized under sections 306, 306C, 306D, 306E, 310B(b), 310B(c), 310B(e), 310B(f), 310H, 379B, and 379E.".

(b) REPORT TO THE CONGRESS.—Within 2 years after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report that contains an evaluation of the implementation of the amendment made by subsection (a).

SEC. 6014. REAUTHORIZATION OF STATE RURAL DEVELOPMENT COUNCILS.

Section 378(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008m(h)) is amended by striking "2012" and inserting "2017".

SEC. 6015. GRANTS FOR NOAA WEATHER RADIO TRANSMITTERS.

Section 379B(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008p(d)) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2013 through 2017.".

SEC. 6016. RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.

Section 379E(d)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s(d)(2)) is amended by striking "$40,000,000 for each of fiscal years 2009 through 2012" and inserting "$20,000,000 for each of fiscal years 2013 through 2017".

SEC. 6017. DELTA REGIONAL AUTHORITY.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 382M(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–12(a)) is amended by striking "$30,000,000 for each of fiscal years 2008 through 2012" and inserting "$12,000,000 for each of fiscal years 2013 through 2017".

(b) TERMINATION OF AUTHORITY.—Section 382N of such Act (7 U.S.C. 2009aa–13) is amended by striking "2012" and inserting "2017".

SEC. 6018. NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 383N(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009bb–12(a)) is amended by striking "$30,000,000 for each of fiscal years 2008 through 2012" and inserting "$2,000,000 for each of fiscal years 2013 through 2017".

(b) TERMINATION OF AUTHORITY.—Section 383O of such Act (7 U.S.C. 2009bb–13) is amended by striking "2012" and inserting "2017".

SEC. 6019. RURAL BUSINESS INVESTMENT PROGRAM.

Section 384S of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc–18) is amended by striking "$50,000,000 for the period of fiscal years 2008 through 2012" and inserting "$20,000,000 for each of fiscal years 2013 through 2017".

Subtitle B—Rural Electrification Act of 1936

SEC. 6101. RELENDING FOR CERTAIN PURPOSES.

(a) IN GENERAL.—The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended—

(1) in section 2(a), by inserting "(including relending for this purpose as provided in section 4)" after "efficiency";

(2) in section 4(a), by inserting "(including relending to ultimate consumers for this purpose by borrowers enumerated in the proviso in this section)" after "efficiency"; and

(3) in section 313(b)(2)(B)—

(A) by inserting "(acting through the Rural Utilities Service)" after "Secretary"; and

(B) by inserting "energy efficiency (including relending to ultimate consumers for this purpose)," after "promoting".

(b) CURRENT AUTHORITY.—The authority provided in this section is in addition to any other relending authority of the Secretary under the Rural Electrification Act of 1936 (7 U.S.C. 901 et. seq.) or any other law.

(c) ADMINISTRATION.—The Secretary (acting through the Rural Utilities Service) shall continue to carry out section 313 of the Rural Electrification Act of 1936 (7 U.S.C. 940c) in the same manner as on the day before enactment of this Act until such time as any regulations necessary to carry out the amendments made by this section are fully implemented.

SEC. 6102. FEES FOR CERTAIN LOAN GUARANTEES.

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by inserting after section 4 the following:

"SEC. 5. FEES FOR CERTAIN LOAN GUARANTEES.

"(a) IN GENERAL.—For electrification baseload generation loan guarantees, the Secretary shall, at the request of the borrower, charge an upfront fee to cover the costs of the loan guarantee.

"(b) FEE.—The fee described in subsection (a) for a loan guarantee shall be equal to the costs of the loan guarantee (within the meaning of section 502(5)(C) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)(C))).

"(c) LIMITATION.—Funds received from a borrower to pay the fee described in this section shall not be derived from a loan or other debt obligation that is made or guaranteed by the Federal Government.".

SEC. 6103. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.

Section 313A(f) of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1(f)) is amended by striking "2012" and inserting "2017".

SEC. 6104. EXPANSION OF 911 ACCESS.

Section 315(d) of the Rural Electrification Act of 1936 (7 U.S.C. 940e(d)) is amended by striking "2012" and inserting "2017".

SEC. 6105. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.

Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in subsection (c), by striking paragraph (2) and inserting the following:

"(2) PRIORITIES.—In making or guaranteeing loans under paragraph (1), the Secretary shall give—

"(A) the highest priority to applicants that offer to provide broadband service to the greatest proportion of households that, prior to the provision of the broadband service, had no incumbent service provider; and

"(B) priority to applicants that offer in their applications to provide broadband service not predominantly for business service, but where at least 25 percent of customers in the proposed service territory are commercial interests.";

(2) in subsection (d)—

(A) in paragraph (5)—

(i) by striking "and" at the end of subparagraph (B);

(ii) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(iii) by adding at the end the following:

"(D) the amount and type of support requested; and

"(E) a list of the census block groups or tracts proposed to be so served."; and

(B) by adding at the end the following:

"(8) ADDITIONAL PROCESS.—The Secretary shall establish a process under which an incumbent service provider which, as of the date of the publication of notice under paragraph (5) with respect to an application submitted by the provider, is providing broadband service to a remote rural area, may (but shall not be required to) submit to the Secretary, not less than 15 and not more than 30 days after that date, information regarding the broadband services that the provider offers in the proposed service territory, so that the Secretary may assess whether the application meets the requirements of this section with respect to eligible projects.";

(3) in subsection (e), by adding at the end the following:

"(3) REQUIREMENT.—In considering the technology needs of customers in a proposed service territory, the Secretary shall take into consideration the upgrade or replacement cost for the construction or acquisition of facilities and equipment in the territory."; and

(4) in each of subsections (k)(1) and (l), by striking "2012" and inserting "2017".

Subtitle C—Miscellaneous

SEC. 6201. DISTANCE LEARNING AND TELEMEDICINE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking "$100,000,000 for each of fiscal years 2008 through 2012" and inserting "$65,000,000 for each of fiscal years 2013 through 2017".

(b) CONFORMING AMENDMENT.—Section 1(b) of Public Law 102–551 (7 U.S.C. 950aaa note) is amended by striking "2012" and inserting "2017".

SEC. 6202. VALUE-ADDED AGRICULTURAL MARKET DEVELOPMENT PROGRAM GRANTS.

Section 231(b)(7) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking "2008" and inserting "2012"; and

(B) by striking "$15,000,000" and inserting "$50,000,000"; and

(2) in subparagraph (B), by striking "2012" and inserting "2017".

SEC. 6203. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.

Section 6402(i) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b(i)) is amended by striking "$6,000,000 for each of fiscal years 2008 through 2012" and inserting "$1,000,000 for each of fiscal years 2013 through 2017".

SEC. 6204. PROGRAM METRICS.

(a) IN GENERAL.—The Secretary of Agriculture shall collect data regarding economic activities created through grants and loans, including any technical assistance provided as a component of the grant or loan program, and measure the short and long term viability of award recipients and any entities to whom those recipients provide assistance using award funds under section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note; Public Law 106–224), section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), section 313(b)(2) of the Rural Electrification Act of 1936 (7 U.S.C. 940c(b)(2)), or section 306(a)(11), 310B(c), 310B(e), 310B(g), 310H, or 379E, or subtitle E, of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11), 1932(c), 1932(e), 1932(g), 2008s, or 2009 through 2009m).

(b) DATA.—The data collected under subsection (a) shall include information collected from recipients both during the award period and after the period as determined by the Secretary, but not less than 2 years after the award period ends.

(c) REPORT.—Not later than 4 years after the date of enactment of this Act, and every 2 years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains the data described in subsection (a). The report shall include detailed information regarding—

(1) actions taken by the Secretary to utilize the data;

(2) the number of jobs, including self-employment and the value of salaries and wages;

(3) how the provision of funds from the grant or loan involved affected the local economy;

(4) any benefit, such as an increase in revenue or customer base; and

(5) such other information as the Secretary deems appropriate.

SEC. 6205. STUDY OF RURAL TRANSPORTATION ISSUES.

(a) IN GENERAL.—The Secretary of Agriculture and the Secretary of Transportation shall publish an updated version of the study described in section 6206 of the Food, Conservation, and Energy Act of 2008.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture and the Secretary of Transportation shall submit to the Congress the updated version of the study required by subsection (a).

SEC. 6206. AGRICULTURAL TRANSPORTATION POLICY.

The Secretary of Agriculture shall participate on behalf of the interests of agriculture and rural America in all policy development proceedings or other proceedings of the Surface Transportation Board that may establish freight rail transportation policy affecting agriculture and rural America.

SEC. 6207. CERTAIN FEDERAL ACTIONS NOT TO BE CONSIDERED MAJOR FOR PURPOSES OF ENVIRONMENTAL REVIEW.

In the case of a loan, loan guarantee, or grant program in the rural development mission area of the Department of Agriculture, an action of the Secretary before, on, or after the date of enactment of this Act that does not involve the provision

by the Department of Agriculture of Federal dollars or a Federal loan guarantee, including—

(1) the approval by the Department of Agriculture of the decision of a borrower to commence a privately funded activity;

(2) a lien accommodation or subordination;

(3) a debt settlement or restructuring; or

(4) the restructuring of a business entity by a borrower,

shall not be considered a major Federal action.

TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS

Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of 1977

SEC. 7101. OPTION TO NOT BE INCLUDED AS HISPANIC-SERVING AGRICULTURAL COLLEGE OR UNIVERSITY.

Section 1404(10)(A) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(10)(A)) is amended—

(1) in the matter preceding clause (i), by striking "that";

(2) in clause (i)—

(A) by inserting "that" before "qualify"; and

(B) by striking "and" at the end;

(3) in clause (ii)—

(A) by inserting "that" before "offer"; and

(B) by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following new clause:

"(iii) with respect to which the Secretary has not received a statement of the declaration of the intent of a college or university to not be considered a Hispanic-serving agricultural college or university.".

SEC. 7102. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.

(a) EXTENSION OF TERMINATION DATE.—Section 1408(h) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(h)) is amended by striking "2012" and inserting "2017".

(b) DUTIES OF NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.—Section 1408(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(c)) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4)(C), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) consult with industry groups on agricultural research, extension, education, and economics, and make recommendations to the Secretary based on that consultation.".

SEC. 7103. SPECIALTY CROP COMMITTEE.

Section 1408A(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a(c)) is amended—

(1) in paragraph (1), by striking "Measures" and inserting "Programs";

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(4) in paragraph (2) (as so redesignated)—

(A) in the matter preceding subparagraph (A), by striking "Programs that would" and inserting "Research, extension, and teaching programs designed to improve competitiveness in the specialty crop industry, including programs that would";

(B) in subparagraph (D), by inserting "including improving the quality and taste of processed specialty crops" before the semicolon; and

(C) in subparagraph (G), by inserting "the remote sensing and the" before "mechanization".

SEC. 7104. VETERINARY SERVICES GRANT PROGRAM.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1415A (7 U.S.C. 3151a) the following new section:

"SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) QUALIFIED ENTITY.—The term 'qualified entity' means—

"(A) a for-profit or nonprofit entity located in the United States that, or an individual who, operates a veterinary clinic providing veterinary services—

"(i) in a rural area, as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)); and

"(ii) in a veterinarian shortage situation;

"(B) a State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association;

"(C) a college or school of veterinary medicine accredited by the American Veterinary Medical Association;

"(D) a university research foundation or veterinary medical foundation;

"(E) a department of veterinary science or department of comparative medicine accredited by the Department of Education;

"(F) a State agricultural experiment station; or

"(G) a State, local, or tribal government agency.

"(2) VETERINARIAN SHORTAGE SITUATION.—The term 'veterinarian shortage situation' means a veterinarian shortage situation as determined by the Secretary under section 1415A.

"(b) ESTABLISHMENT.—

"(1) COMPETITIVE GRANTS.—The Secretary shall carry out a program to make competitive grants to qualified entities that carry out programs or activities described in paragraph (2) for the purpose of developing, implementing, and sustaining veterinary services.

"(2) ELIGIBILITY REQUIREMENTS.—A qualified entity shall be eligible to receive a grant described in paragraph (1) if the entity carries out programs or activities that the Secretary determines will—

"(A) substantially relieve veterinarian shortage situations;

"(B) support or facilitate private veterinary practices engaged in public health activities; or

"(C) support or facilitate the practices of veterinarians who are providing or have completed providing services under an agreement entered into with the Secretary under section 1415A(a)(2).

"(c) AWARD PROCESSES AND PREFERENCES.—

"(1) APPLICATION, EVALUATION, AND INPUT PROCESSES.—In administering the grant program established under this section, the Secretary shall—

"(A) use an appropriate application and evaluation process, as determined by the Secretary; and

"(B) seek the input of interested persons.

"(2) COORDINATION PREFERENCE.—In selecting recipients of grants to be used for any of the purposes described in subsection (d)(1), the Secretary shall give a preference to qualified entities that provide documentation of coordination with other qualified entities, with respect to any such purpose.

"(3) CONSIDERATION OF AVAILABLE FUNDS.—In selecting recipients of grants to be used for any of the purposes described in subsection (d), the Secretary shall take into consideration the amount of funds available for grants and the purposes for which the grant funds will be used.

"(4) NATURE OF GRANTS.—A grant awarded under this section shall be considered to be a competitive research, extension, or education grant.

"(d) USE OF GRANTS TO RELIEVE VETERINARIAN SHORTAGE SITUATIONS AND SUPPORT VETERINARY SERVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a qualified entity may use funds provided by a grant awarded under this section to relieve veterinarian shortage situations and support veterinary services for any of the following purposes:

"(A) To promote recruitment (including for programs in secondary schools), placement, and retention of veterinarians, veterinary technicians, students of veterinary medicine, and students of veterinary technology.

"(B) To allow veterinary students, veterinary interns, externs, fellows, and residents, and veterinary technician students to cover expenses (other than the types of expenses described in section 1415A(c)(5)) to attend training programs in food safety or food animal medicine.

"(C) To establish or expand accredited veterinary education programs (including faculty recruitment and retention), veterinary residency and fellowship programs, or veterinary internship and externship programs carried out in coordination with accredited colleges of veterinary medicine.

"(D) To provide continuing education and extension, including veterinary telemedicine and other distance-based education, for veterinarians, veterinary technicians, and other health professionals needed to strengthen veterinary programs and enhance food safety.

"(E) To provide technical assistance for the preparation of applications submitted to the Secretary for designation as a veterinarian shortage situation under this section or section 1415A.

"(2) QUALIFIED ENTITIES OPERATING VETERINARY CLINICS.—A qualified entity described in subsection (a)(1)(A) may only use funds provided by a grant awarded under this section to establish or expand veterinary practices, including—

"(A) equipping veterinary offices;

"(B) sharing in the reasonable overhead costs of such veterinary practices, as determined by the Secretary; or

"(C) establishing mobile veterinary facilities in which a portion of the facilities will address education or extension needs.

"(e) SPECIAL REQUIREMENTS FOR CERTAIN GRANTS.—

"(1) TERMS OF SERVICE REQUIREMENTS.—

"(A) IN GENERAL.—Funds provided through a grant made under this section to a qualified entity described in subsection (a)(1)(A) and used by such entity under subsection (d)(2) shall be subject to an agreement between the Secretary and such entity that includes a required term of service for such entity (including a qualified entity operating as an individual), as prospectively established by the Secretary.

"(B) CONSIDERATIONS.—In establishing a term of service under subparagraph (A), the Secretary shall consider only—

"(i) the amount of the grant awarded; and

"(ii) the specific purpose of the grant.

"(2) BREACH REMEDIES.—

"(A) IN GENERAL.—An agreement under paragraph (1) shall provide remedies for any breach of the agreement by the qualified entity referred to in paragraph (1)(A), including repayment or partial repayment of the grant funds, with interest.

"(B) WAIVER.—The Secretary may grant a waiver of the repayment obligation for breach of contract if the Secretary determines that such qualified entity demonstrates extreme hardship or extreme need.

"(C) TREATMENT OF AMOUNTS RECOVERED.—Funds recovered under this paragraph shall—

"(i) be credited to the account available to carry out this section; and

"(ii) remain available until expended without further appropriation.

"(f) PROHIBITION ON USE OF GRANT FUNDS FOR CONSTRUCTION.—Except as provided in subsection (d)(2), funds made available for grants under this section may not be used—

"(1) to construct a new building or facility; or

"(2) to acquire, expand, remodel, or alter an existing building or facility, including site grading and improvement and architect fees.

"(g) REGULATIONS.—Not later than 1 year after the date of the enactment of this section, the Secretary shall promulgate regulations to carry out this section.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $10,000,000 for fiscal year 2013 and each fiscal year thereafter, to remain available until expended.".

SEC. 7105. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURE SCIENCES EDUCATION.

Section 1417(m) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(m)) is amended by striking "section $60,000,000" and all that follows and inserting the following: "section—

"(1) $60,000,000 for each of fiscal years 1990 through 2012; and

"(2) $40,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7106. POLICY RESEARCH CENTERS.

Section 1419A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155) is amended—

(1) in the section heading, by inserting "**AGRICULTURAL AND FOOD**" before "**POLICY**";

(2) in subsection (a), in the matter preceding paragraph (1)—

(A) by striking "Secretary may" and inserting "Secretary shall, acting through the Office of the Chief Economist,";

(B) by striking "make grants, competitive grants, and special research grants to, and enter into cooperative agreements and other contracting instruments with," and inserting "make competitive grants to or enter into cooperative agreements with"; and

(C) by inserting "with a history of providing unbiased, nonpartisan economic analysis to Congress" after "subsection (b)";

(3) in subsection (b), by striking "other research institutions" and all that follows through "shall be eligible" and inserting "and other public research institutions and organizations shall be eligible";

(4) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(5) by inserting after subsection (b), the following new subsection:

"(c) PREFERENCE.—In awarding grants under this section, the Secretary shall give a preference to policy research centers that have extensive databases, models, and demonstrated experience in providing Congress with agricultural market projections, rural development analysis, agricultural policy analysis, and baseline projections at the farm, multiregional, national, and international levels."; and

(6) by striking subsection (e) (as redesignated by paragraph (4)) and inserting the following new subsection:

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for each of fiscal years 1996 through 2012; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7107. REPEAL OF HUMAN NUTRITION INTERVENTION AND HEALTH PROMOTION RESEARCH PROGRAM.

Section 1424 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174) is repealed.

SEC. 7108. REPEAL OF PILOT RESEARCH PROGRAM TO COMBINE MEDICAL AND AGRICULTURAL RESEARCH.

Section 1424A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174a) is repealed.

SEC. 7109. NUTRITION EDUCATION PROGRAM.

Section 1425(f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175(f)) is amended by striking "2012" and inserting "2017".

SEC. 7110. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

Section 1433 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195) is amended by striking the section designation and heading and all that follows through subsection (a) and inserting the following:

"SEC. 1433. APPROPRIATIONS FOR CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to support continuing animal health and disease research programs at eligible institutions—

"(A) $25,000,000 for each of fiscal years 1991 through 2012; and

"(B) $15,000,000 for each of fiscal years 2013 through 2017.

"(2) USE OF FUNDS.—Funds made available under this section shall be used—

"(A) to meet the expenses of conducting animal health and disease research, publishing and disseminating the results of such research, and contributing to the retirement of employees subject to the Act of March 4, 1940 (7 U.S.C. 331);

"(B) for administrative planning and direction; and

"(C) to purchase equipment and supplies necessary for conducting the research described in subparagraph (A).".

SEC. 7111. REPEAL OF APPROPRIATIONS FOR RESEARCH ON NATIONAL OR REGIONAL PROBLEMS.

(a) REPEAL.—Section 1434 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3196) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) MATCHING FUNDS.—Section 1438 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3200) is amended in the first sentence by striking ", exclusive of the funds provided for research on specific national or regional animal health and disease problems under the provisions of section 1434 of this title,".

(2) AUTHORIZATION OF APPROPRIATIONS FOR EXISTING AND CERTAIN NEW AGRICULTURAL RESEARCH PROGRAMS.—Section 1463(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311(c)) is amended by striking "sections 1433 and 1434" and inserting "section 1433".

SEC. 7112. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking "2012" and inserting "2017".

SEC. 7113. GRANTS TO UPGRADE AGRICULTURE AND FOOD SCIENCE FACILITIES AND EQUIPMENT AT INSULAR AREA LAND-GRANT INSTITUTIONS.

(a) SUPPORTING TROPICAL AND SUBTROPICAL AGRICULTURAL RESEARCH.—

(1) IN GENERAL.—Section 1447B(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b–2(a)) is amended to read as follows:

"(a) PURPOSE.—It is the intent of Congress to assist the land-grant colleges and universities in the insular areas in efforts to—

"(1) acquire, alter, or repair facilities or relevant equipment necessary for conducting agricultural research; and

"(2) support tropical and subtropical agricultural research, including pest and disease research.".

(2) CONFORMING AMENDMENT.—Section 1447B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b–2) is amended in the heading—

(A) by inserting "**AND SUPPORT TROPICAL AND SUBTROPICAL AGRICULTURAL RESEARCH**" after "**EQUIPMENT**"; and

(B) by striking "**INSTITUTIONS**" and inserting "**COLLEGES AND UNIVERSITIES**".

(b) EXTENSION.—Section 1447B(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b–2(d)) is amended by striking "2012" and inserting "2017".

SEC. 7114. REPEAL OF NATIONAL RESEARCH AND TRAINING VIRTUAL CENTERS.

Section 1448 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222c) is repealed.

SEC. 7115. HISPANIC-SERVING INSTITUTIONS.

Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking "2012" and inserting "2017".

SEC. 7116. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

Section 1459A(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b(c)) is amended to read as follows:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for each of fiscal years 1999 through 2012; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7117. REPEAL OF RESEARCH EQUIPMENT GRANTS.

Section 1462A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310a) is repealed.

SEC. 7118. UNIVERSITY RESEARCH.

Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended in both of subsections (a) and (b) by striking "2012" and inserting "2017".

SEC. 7119. EXTENSION SERVICE.

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking "2012" and inserting "2017".

SEC. 7120. AUDITING, REPORTING, BOOKKEEPING, AND ADMINISTRATIVE REQUIREMENTS.

Section 1469 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3315) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by adding "and" at the end;

(B) by striking paragraph (3); and

(C) by redesignating paragraph (4) as paragraph (3);

(2) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(3) by inserting after subsection (a) the following new subsection:

"(b) ADMINISTRATIVE EXPENSES.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of law, the Secretary may retain not more than 4 percent of amounts made available for agricultural research, extension, and teaching assistance programs for the administration of those programs authorized under this Act or any other Act.

"(2) EXCEPTIONS.—The limitation on administrative expenses under paragraph (1) shall not apply to peer panel expenses under subsection (d) or any other provision of law related to the administration of agricultural research, extension, and teaching assistance programs that contains a limitation on administrative expenses that is less than the limitation under paragraph (1).".

SEC. 7121. SUPPLEMENTAL AND ALTERNATIVE CROPS.

(a) AUTHORIZATION OF APPROPRIATIONS AND TERMINATION.—Section 1473D of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d) is amended—

(1) in subsection (a), by striking "2012" and inserting "2017"; and

(2) by adding at the end the following new subsection:

"(e) There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for fiscal year 2012; and

"(2) $1,000,000 for each of fiscal years 2013 through 2017.".

(b) COMPETITIVE GRANTS.—Section 1473D(c)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d(c)(1)) is amended by striking "use such research funding, special or competitive grants, or other means, as the Secretary determines," and inserting "make competitive grants".

SEC. 7122. CAPACITY BUILDING GRANTS FOR NLGCA INSTITUTIONS.

Section 1473F(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319i(b)) is amended by striking "2012" and inserting "2017".

SEC. 7123. AQUACULTURE ASSISTANCE PROGRAMS.

(a) COMPETITIVE GRANTS.—Section 1475(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(b)) is amended in the matter preceding paragraph (1), by inserting "competitive" before "grants".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended to read as follows:

"SEC. 1477. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this subtitle—

"(1) $7,500,000 for each of fiscal years 1991 through 2012; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017.

"(b) PROHIBITION ON USE.—Funds made available under this section may not be used to acquire or construct a building.".

SEC. 7124. RANGELAND RESEARCH PROGRAMS.

Section 1483(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)) is amended by striking "subtitle" and all that follows and inserting the following: "subtitle—

"(1) $10,000,000 for each of fiscal years 1991 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7125. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.

Section 1484(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3351(a)) is amended by striking "response such sums as are necessary" and all that follows and inserting the following: "response—

"(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

"(2) $10,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7126. DISTANCE EDUCATION AND RESIDENT INSTRUCTION GRANTS PROGRAM FOR INSULAR AREA INSTITUTIONS OF HIGHER EDUCATION.

(a) DISTANCE EDUCATION GRANTS FOR INSULAR AREAS.—

(1) COMPETITIVE GRANTS.—Section 1490(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(a)) is amended by striking "or noncompetitive".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 1490(f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(f)) is amended by striking "section" and all that follows and inserting the following: "section—

"(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

(b) RESIDENT INSTRUCTION GRANTS FOR INSULAR AREAS.—Section 1491(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363(c)) is amended by striking "such sums as are necessary" and all that follows and inserting the following: "to carry out this section—

"(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7127. MATCHING FUNDS REQUIREMENT.

(a) IN GENERAL.—The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is amended by adding at the end the following new subtitle:

"Subtitle P—General Provisions

"SEC. 1492. MATCHING FUNDS REQUIREMENT.

"(a) MATCHING FUNDS REQUIREMENT.—The recipient of a competitive grant that is awarded by the Secretary under a covered law and that involves applied research or extension that is commodity-specific or State-specific shall provide funds, in-kind contributions, or a combination of both, from sources other than funds provided through such grant in an amount at least equal to the amount of such grant.

"(b) WAIVER AUTHORITY.—The Secretary may waive the matching funds requirement under subsection (a) with respect to a competitive grant that involves applied research or extension that the National Agricultural Research, Extension, Education, and Economics Advisory Board has determined is a national priority under section 1408(c).

"(c) DEFINITIONS.—In this section:

"(1) APPLIED RESEARCH.—The term 'applied research' has the meaning given such term in section 251(f)(1)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(B)).

"(2) COVERED LAW.—The term 'covered law' means each of the following provisions of law:

"(A) This title.

"(B) Title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5801 et seq.).

"(C) The Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601 et seq.).

"(D) Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).

"(E) Part III of subtitle E of title VII of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 3202 et seq.).

"(F) The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i).".

(b) CONFORMING AMENDMENT.—Paragraph (9) of section 2(b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)) is amended—

(1) by striking subparagraph (B);

(2) in the heading, by inserting "FOR EQUIPMENT GRANTS" after "FUNDS";

(3) by striking "(A) EQUIPMENT GRANTS.—"; and

(4) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and moving the margins of such subparagraphs two ems to the left.

(c) APPLICATION TO AMENDMENTS.—

(1) NEW GRANTS.—Section 1492 of the National Agricultural, Research, Extension, and Teaching Policy Act of 1977, as added by subsection (a), shall apply with respect to grants described in such section awarded after October 1, 2012, unless the provision of a covered law under which such grants are awarded specifically exempts such grants from the matching funds requirement under such section.

(2) EXISTING GRANTS.—A matching funds requirement in effect on or before October 1, 2012, under a covered law shall continue to apply to a grant awarded under such provision of law on or before that date.

Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990

SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICATIONS.

Section 1624 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5814) is amended in the first sentence—

(1) by striking "$40,000,000 for each fiscal year"; and

(2) by inserting "$40,000,000 for each of fiscal years 2012 through 2017" after "chapter".

SEC. 7202. INTEGRATED MANAGEMENT SYSTEMS.

Section 1627(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5821(d)) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section through the National Institute of Food and Agriculture $20,000,000 for each of fiscal years 2012 through 2017.".

SEC. 7203. SUSTAINABLE AGRICULTURE TECHNOLOGY DEVELOPMENT AND TRANSFER PROGRAM.

Section 1628(f) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5831(f)) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for fiscal year 2012; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7204. NATIONAL TRAINING PROGRAM.

Section 1629(i) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5832(i)) is amended to read as follows:

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the National Training Program $20,000,000 for each of fiscal years 2012 through 2017.".

SEC. 7205. NATIONAL GENETICS RESOURCES PROGRAM.

Section 1635(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amended—

(1) by striking "such funds as may be necessary"; and

(2) by striking "subtitle" and all that follows and inserting the following: "subtitle—

"(1) such sums as are necessary for each of fiscal years 1991 through 2012; and

"(2) $1,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7206. REPEAL OF NATIONAL AGRICULTURAL WEATHER INFORMATION SYSTEM.

Subtitle D of title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5851 et seq.) is repealed.

SEC. 7207. REPEAL OF RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.

Section 1670 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5923) is repealed.

SEC. 7208. REPEAL OF AGRICULTURAL GENOME INITIATIVE.

Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is repealed.

SEC. 7209. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.

Section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended—

(1) in the first sentence of subsection (a), by striking "subsections (e) through (i)" and inserting "subsections (e) through (g)";

(2) in subsection (b)(2), in the first sentence, by striking "subsections (e) through (i)" and inserting "subsections (e) through (g)";

(3) in subsection (c)(2)—

(A) in subparagraph (A), by striking "or" at the end;

(B) in subparagraph (B), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following new subparagraph:

"(C) the project involves a pest that has been designated as a pest of public health significance by the Environmental Protection Agency and the Centers for Disease Control and Prevention, as described in section 2(nn)

of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(nn)).";

(4) by striking subsections (e), (f), and (i);

(5) by redesignating subsections (g), (h), and (j) as subsections (e), (f), and (h), respectively;

(6) in subsection (e) (as redesignated by paragraph (5))—

(A) in the heading, by inserting ", BED BUGS, AND OTHER PESTS" after "TERMITE"; and

(B) by inserting ", bed bugs, and other pests, including pests that the Secretary determines are a risk to public health" after "termites" each place it appears in paragraphs (1), (2)(A), and (3);

(7) in subsection (f) (as redesignated by paragraph (5))—

(A) by striking "2012" each place it appears in paragraphs (1)(B), (2)(B), and (3) and inserting "2017"; and

(B) in paragraph (4)—

(i) in subparagraph (A), by inserting "and honey bee health disorders" after "collapse"; and

(ii) in subparagraph (B), by inserting ", including best management practices" after "strategies";

(8) by inserting after subsection (f) (as redesignated by paragraph (5)), the following new subsection:

"(g) BED BUG CONTROL.—

"(1) AUTHORIZATION AND USE OF GRANTS.—The Secretary, in consultation with a task force appointed under subsection (b)(2), shall award grants under this subsection for purposes of—

"(A) developing more efficacious methods of detecting, preventing, and managing bed bugs; and

"(B) conducting basic and applied bed bug biology research.

"(2) GRANTS.—

"(A) REQUESTS FOR PROPOSALS.—The Secretary shall, not later than 180 days after the date of the enactment of this subsection and in consultation with the task force, publish a request for openly competitive grant proposals for research projects for the purposes described in paragraph (1).

"(B) AWARD OF GRANTS.—Not later than 180 days after the date of such publication, the Secretary shall—

"(i) evaluate the grant proposals referred to in subparagraph (A) in consultation with the task force; and

"(ii) award grants to entities that submitted grant proposals for research projects the Secretary determines are meritorious for the purposes described in paragraph (1).

"(C) NOTIFICATION REQUIREMENT.—The Secretary shall notify the task force of any award made under subparagraph (B) not later than 30 days after awarding such grant.

"(3) CONSULTATION AND COORDINATION.—To expedite the approval or registration under section 3, section 18, or section 24 of the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136a, 136p, and 136v) of the methods identified or discovered through research projects funded under this subsection, the Secretary shall consult and coordinate with the Administrator of the Environmental Protection Agency regarding—

"(A) the awarding of grants under this subsection; and

"(B) the evaluation of the results of such research projects."; and

(9) in subsection (h) (as redesignated by paragraph (5)), by striking "2012" and inserting "2017".

SEC. 7210. REPEAL OF NUTRIENT MANAGEMENT RESEARCH AND EXTENSION INITIATIVE.

Section 1672A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925a) is repealed.

SEC. 7211. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.

Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) is amended—

(1) by striking subsection (e) and inserting the following new subsection:

"(e) FARM BUSINESS MANAGEMENT ENCOURAGED.—Following the completion of a peer review process for grant proposals received under this section, the Secretary shall provide a priority to grant proposals found in the review process to be scientifically meritorious using the same criteria the Secretary uses to give priority to grants under section 1672D(b)."; and

(2) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "and" at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) $16,000,000 for each of fiscal years 2013 through 2017."; and

(B) in paragraph (2), by striking "2012" and inserting "2017".

SEC. 7212. REPEAL OF AGRICULTURAL BIOENERGY FEEDSTOCK AND ENERGY EFFICIENCY RESEARCH AND EXTENSION INITIATIVE.

(a) REPEAL.—Section 1672C of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925e) is repealed.

(b) CONFORMING AMENDMENT.—Section 251(f)(1)(D) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)) is amended—

(1) by striking clause (xi); and

(2) by redesignating clauses (xii) and (xiii) as clauses (xi) and (xii), respectively.

SEC. 7213. FARM BUSINESS MANAGEMENT.

Section 16f72D(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f(d)) is amended by striking "such sums as are necessary to carry out this section." and inserting the following: "to carry out this section—

"(1) such sums as are necessary for fiscal year 2012; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7214. REGIONAL CENTERS OF EXCELLENCE.

The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1672D (7 U.S.C. 5925f) the following new section:

"SEC. 1673. REGIONAL CENTERS OF EXCELLENCE.

"(a) FUNDING PRIORITIES.—The Secretary shall prioritize regional centers of excellence established for specific agricultural commodities for the receipt of funding for any competitive research or extension program administered by the Secretary.

"(b) COMPOSITION.—A regional center of excellence is composed of 1 or more of the eligible entities specified in section 2(b)(7) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(7)).

"(c) CRITERIA FOR REGIONAL CENTERS OF EXCELLENCE.—The criteria for consideration to be recognized as a regional center of excellence shall include efforts—

"(1) to ensure coordination and cost effectiveness by reducing unnecessarily duplicative efforts regarding research, teaching, and extension;

"(2) to leverage available resources by using public/private partnerships among agricultural industry groups, institutions of higher education, and the Federal Government;

"(3) to implement teaching initiatives to increase awareness and effectively disseminate solutions to target audiences through extension activities;

"(4) to increase the economic returns to rural communities by identifying, attracting, and directing funds to high-priority agricultural issues; and

"(5) to improve teaching capacity and infrastructure at colleges and universities (including land-grant institutions, schools of forestry, schools of veterinary medicine, and NLGCA Institutions).".

SEC. 7215. REPEAL OF RED MEAT SAFETY RESEARCH CENTER.

Section 1676 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5929) is repealed.

SEC. 7216. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.

Section 1680(c)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933(c)(1)) is amended—

(1) by striking "is" and inserting "are"; and

(2) by striking "section" and all that follows and inserting the following: "section—

"(A) $6,000,000 for each of fiscal years 1999 through 2012; and

"(B) $3,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7217. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking "2012" and inserting "2017".

Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998

SEC. 7301. RELEVANCE AND MERIT OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION FUNDED BY THE DEPARTMENT.

Section 103(a)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(a)(2)) is amended—

(1) in the heading by striking "MERIT REVIEW OF EXTENSION" and inserting "RELEVANCE AND MERIT REVIEW OF RESEARCH, EXTENSION,";

(2) in subparagraph (A)—

(A) by inserting "relevance and" before "merit"; and

(B) by striking "extension or education" and inserting "research, extension, or education"; and

(3) in subparagraph (B), by inserting "on a continuous basis" after "procedures".

SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.

Section 406(f) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626(f)) is amended by striking "2012" and inserting "2017".

SEC. 7303. REPEAL OF COORDINATED PROGRAM OF RESEARCH, EXTENSION, AND EDUCATION TO IMPROVE VIABILITY OF SMALL AND MEDIUM SIZE DAIRY, LIVESTOCK, AND POULTRY OPERATIONS.

(a) REPEAL.—Section 407 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7627) is repealed.

(b) CONFORMING AMENDMENT.—Section 251(f)(1)(D) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(D)), as amended by section 7212(b), is further amended—

(1) by striking clause (xi) (as redesignated by section 7212(b)); and

(2) by redesignating clause (xii) (as redesignated by section 7212(b)) as clause (xi).

SEC. 7304. REPEAL OF BOVINE JOHNE'S DISEASE CONTROL PROGRAM.

Section 409 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7629) is repealed.

SEC. 7305. GRANTS FOR YOUTH ORGANIZATIONS.

Section 410(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7630(d)) is amended by striking "section such sums as are necessary" and all that follows and inserting the following: "section—

"(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

"(2) $3,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7306. SPECIALTY CROP RESEARCH INITIATIVE.

Section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "and genomics" and inserting "genomics, and other methods"; and

(B) in paragraph (3), by inserting "handling and processing," after "production efficiency,";

(2) by striking subsection (d) and inserting the following new subsection:

"(d) RESEARCH PROJECTS.—In carrying out this section, the Secretary shall award competitive grants on the basis of—

"(1) an initial scientific peer review conducted by a panel of subject matter experts from Federal agencies, non-Federal entities, and the specialty crop industry; and

"(2) a final funding determination made by the Secretary based on a review and ranking for merit, relevance, and impact conducted by a panel of specialty crop industry representatives for the specific specialty crop."; and

(3) in subsection (h)—

(A) in paragraph (1)—

(i) by striking "(1) IN GENERAL.—Of the funds" and inserting the following:

"(1) MANDATORY FUNDING.—

"(A) IN GENERAL.—Of the funds"; and

(ii) by adding at the end the following new subparagraph:

"(B) SUBSEQUENT FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

"(i) $25,000,000 for fiscal year 2013;

"(ii) $30,000,000 for each of fiscal years 2014 and 2015;

"(iii) $65,000,000 for fiscal year 2016; and

"(iv) $50,000,000 for fiscal year 2017 and each fiscal year thereafter."; and

(B) in paragraph (2), by striking "2012" and inserting "2017".

SEC. 7307. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.

Section 604(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642(e)) is amended by striking "2012" and inserting "2017".

SEC. 7308. REPEAL OF NATIONAL SWINE RESEARCH CENTER.

Section 612 of the Agricultural Research, Extension, and Education Reform Act of 1998 (Public Law 105–185; 112 Stat. 605) is repealed.

SEC. 7309. OFFICE OF PEST MANAGEMENT POLICY.

Section 614(f) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7653(f)) is amended—

(1) by striking "such sums as are necessary"; and

(2) by striking "section" and all that follows and inserting the following: "section—

"(1) such sums as are necessary for each of fiscal years 1999 through 2012; and

"(2) $3,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7310. REPEAL OF STUDIES OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.

Subtitle C of title VI of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7671 et seq.) is repealed.

Subtitle D—Other Laws

SEC. 7401. CRITICAL AGRICULTURAL MATERIALS ACT.

Section 16(a) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)) is amended—

(1) by striking "such sums as are necessary"; and

(2) by striking "Act" and all that follows and inserting the following: "Act—

"(1) such sums as are necessary for each of fiscal years 1991 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7402. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.

(a) DEFINITION OF 1994 INSTITUTIONS.—Section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended—

(1) in paragraph (8), by striking "Memorial";

(2) in paragraph (26), by striking "Community";

(3) by striking paragraphs (5), (10), and (27);

(4) by redesignating paragraphs (1), (2), (3), (4), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (28), (29), (30), (31), (32), (33), and (34) as paragraphs (2), (3), (4), (8), (9), (10), (5), (11), (12), (13), (14), (16), (18), (19), (20), (21), (23), (24), (25), (26), (33), (27), (28), (29), (30), (31), (32), (34), (35), (36), and (15) respectively, and transferring the paragraphs so as to appear in numerical order;

(5) by inserting before paragraph (2) (as so redesignated), the following new paragraph:

"(1) Aaniih Nakoda College.";

(6) by inserting after paragraph (5) (as so redesignated), the following new paragraphs:

"(6) College of the Muscogee Nation.

"(7) Comanche Nation College.";

(7) by inserting after paragraph (16) (as so redesignated) the following new paragraph:

"(17) Keweenaw Bay Ojibwa Community College."; and

(8) by inserting after paragraph (21) (as so redesignated) the following new paragraph:

"(22) Navajo Technical College.".

(b) ENDOWMENT FOR 1994 INSTITUTIONS.—Section 533(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking "2012" and inserting "2017".

(c) INSTITUTIONAL CAPACITY BUILDING GRANTS.—Section 535 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking "2012" each place it appears in subsections (b)(1) and (c) and inserting "2017".

(d) RESEARCH GRANTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 536(c) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking "2012" and inserting "2017".

(2) RESEARCH GRANT REQUIREMENTS.—Section 536(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking "with at least 1 other land-grant college or university" and all that follows and inserting the following: "with—

"(1) the Agricultural Research Service of the Department of Agriculture; or

"(2) at least 1—

"(A) other land-grant college or university (exclusive of another 1994 Institution);

"(B) non-land-grant college of agriculture (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or

"(C) cooperating forestry school (as defined in that section).".

SEC. 7403. RESEARCH FACILITIES ACT.

Section 6(a) of the Research Facilities Act (7 U.S.C. 390d(a)) is amended by striking "2012" and inserting "2017".

SEC. 7404. REPEAL OF CARBON CYCLE RESEARCH.

Section 221 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 6711) is repealed.

SEC. 7405. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANT ACT.

(a) EXTENSION.—Section 2(b)(11)(A) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(11)(A)) is amended in the matter preceding clause (i) by striking "2012" and inserting "2017".

(b) PRIORITY AREAS.—Section 2(b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(2)) is amended—

(1) in subparagraph (A)—

(A) in clause (vi), by striking "and" at the end;

(B) in clause (vii), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new clause:

"(viii) plant-based foods that are major sources of nutrients of concern (as determined by the Secretary).";

(2) in subparagraph (B)—

(A) in clause (vii), by striking "and" at the end;

(B) in clause (viii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new clauses:

"(ix) the research and development of surveillance methods, vaccines, vaccination delivery systems, or diagnostic tests for zoonotic diseases in wildlife reservoirs presenting a potential concern to public health or domestic livestock; and

"(x) the identification of animal drug needs and the generation and dissemination of data for safe and effective therapeutic applications of animal drugs for minor species and minor uses of such drugs in major species.";

(3) in subparagraph (C)—

(A) in clause (ii), by inserting before the semicolon ", including the effects of plant-based foods that are major sources of nutrients of concern on diet and health";

(B) in clause (iii), by inserting before the semicolon ", including plant-based foods that are major sources of nutrients of concern";

(C) in clause (iv), by inserting before the semicolon ", including postharvest practices conducted with respect to plant-based foods that are major sources of nutrients of concern"; and

(D) in clause (v), by inserting before the period ", including improving the functionality of plant-based foods that are major sources of nutrients of concern";

(4) in subparagraph (D)—

(A) by redesignating clauses (iv), (v), and (vi) as clauses (v), (vi), and (vii), respectively; and

(B) by inserting after clause (iii) the following new clause:

"(iv) the effectiveness of conservation practices and technologies designed to address nutrient losses and improve water quality;"; and

(5) in subparagraph (F)—

(A) in the matter preceding clause (i), by inserting "economics," after "trade,";

(B) by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively; and

(C) by inserting after clause (iv) the following new clause:

"(v) the economic costs, benefits, and viability of producers adopting conservation practices and technologies designed to improve water quality;".

(c) GENERAL ADMINISTRATION.—Section 2(b)(4) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(4)) is amended—

(1) in subparagraph (D), by striking "and" at the end;

(2) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(F) establish procedures under which a commodity board established under a commodity promotion law (as such term is defined under section 501(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(a))) or a State commodity board (or other equivalent State entity) may directly submit to the Secretary proposals for requests for applications to specifically address particular issues related to the priority areas specified in paragraph (2).".

(d) SPECIAL CONSIDERATIONS.—Section 2(b)(6) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(6)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) to eligible entities to carry out the specific research proposals submitted under procedures established under paragraph (4)(F).".

(e) INTER-REGIONAL RESEARCH PROJECT NUMBER 4.—Section 2(e) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(e)) is amended—

(1) in paragraph (1)(A), by striking "minor use pesticides" and inserting "pesticides for minor agricultural use and for use on specialty crops (as defined in section 3 of the Specialty Crop Competitiveness Act of 2004 (7 U.S.C. 1621 note)"; and

(2) in paragraph (4)—

(A) in subparagraph (A), by inserting "and for use on specialty crops" after "minor agricultural use";

(B) in subparagraph (B), by striking "and" at the end;

(C) by redesignating subparagraph (C) as subparagraph (G); and

(D) by inserting after subparagraph (B) the following new subparagraphs:

"(C) prioritize potential pest management technology for minor agricultural use and for use on specialty crops;

"(D) conduct research to develop the data necessary to facilitate pesticide registrations, reregistrations, and associated tolerances;

"(E) assist in removing trade barriers caused by residues of pesticides registered for minor agricultural use and for use on domestically grown specialty crops;

"(F) assist in the registration and reregistration of pest management technologies for minor agricultural use and for use on specialty crops; and".

(f) EMPHASIS ON SUSTAINABLE AGRICULTURE.—Section 2 of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended by striking subsection (k).

SEC. 7406. RENEWABLE RESOURCES EXTENSION ACT OF 1978.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 6 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is amended in the first sentence by striking "2012" and inserting "2017".

(b) TERMINATION DATE.—Section 8 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 note; Public Law 95–306) is amended by striking "2012" and inserting "2017".

SEC. 7407. NATIONAL AQUACULTURE ACT OF 1980.

Section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809) is amended by striking "2012" each place it appears and inserting "2017".

SEC. 7408. REPEAL OF USE OF REMOTE SENSING DATA.

Section 892 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 5935) is repealed.

SEC. 7409. REPEAL OF REPORTS UNDER FARM SECURITY AND RURAL INVESTMENT ACT OF 2002.

(a) REPEAL OF REPORT ON PRODUCERS AND HANDLERS FOR ORGANIC PRODUCTS.—Section 7409 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925b note; Public Law 107–171) is repealed.

(b) REPEAL OF REPORT ON GENETICALLY MODIFIED PEST-PROTECTED PLANTS.—Section 7410 of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 116 Stat. 462) is repealed.

(c) REPEAL OF STUDY ON NUTRIENT BANKING.—Section 7411 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925a note; Public Law 107–171) is repealed.

SEC. 7410. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.

Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking subparagraphs (A) through (R) and inserting the following new subparagraphs:

"(A) basic livestock, forest management, and crop farming practices;

"(B) innovative farm, ranch, and private, nonindustrial forest land transfer strategies;

"(C) entrepreneurship and business training;

"(D) financial and risk management training (including the acquisition and management of agricultural credit);

"(E) natural resource management and planning;

"(F) diversification and marketing strategies;

"(G) curriculum development;

"(H) mentoring, apprenticeships, and internships;

"(I) resources and referral;

"(J) farm financial benchmarking;

"(K) assisting beginning farmers or ranchers in acquiring land from retiring farmers and ranchers;

"(L) agricultural rehabilitation and vocational training for veterans; and

"(M) other similar subject areas of use to beginning farmers or ranchers.";

(B) in paragraph (7), by striking "and community-based organizations" and inserting ", community-based organizations, and school-based agricultural educational organizations";

(C) by striking paragraph (8) and inserting the following new paragraph:

"(8) MILITARY VETERAN BEGINNING FARMERS AND RANCHERS.—

"(A) IN GENERAL.—Not less than 5 percent of the funds used to carry out this subsection for a fiscal year shall be used to support programs and services that address the needs of military veteran beginning farmers and ranchers.

"(B) COORDINATION PERMITTED.—A recipient of a grant under this section using the grant as described in subparagraph (A) may coordinate with a recipient of a grant under section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) in addressing the needs of military veteran beginning farmers and ranchers with disabilities."; and

(D) by adding at the end the following new paragraph:

"(11) LIMITATION ON INDIRECT COSTS.—A recipient of a grant under this section may not use more than 10 percent of the funds provided by the grant for the indirect costs of carrying out the initiatives described in paragraph (1).";

(2) in subsection (h)(1)—

(A) in subparagraph (A), by striking "and" at the end;

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(C) $10,000,000 for each of fiscal years 2013 through 2017, to remain available until expended."; and

(3) in subsection (h)(2), by striking "2012" and inserting "2017".

SEC. 7411. INCLUSION OF NORTHERN MARIANA ISLANDS AS A STATE UNDER MCINTIRE-STENNIS COOPERATIVE FORESTRY ACT.

Section 8 of Public Law 87–788 (commonly known as the McIntire-Stennis Cooperative Forestry Act; 16 U.S.C. 582a–7) is amended by striking "and Guam" and inserting "Guam, and the Commonwealth of the Northern Mariana Islands".

Subtitle E—Food, Conservation, and Energy Act of 2008

PART 1—AGRICULTURAL SECURITY

SEC. 7501. AGRICULTURAL BIOSECURITY COMMUNICATION CENTER.

Section 14112(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8912(c)) is amended to read as follows:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7502. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPARATION, AND RESPONSE.

Section 14113 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8913) is amended—

(1) in subsection (a)(2)—

(A) by striking "such sums as may be necessary"; and

(B) by striking "subsection" and all that follows and inserting the following: "subsection—

"(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

"(2) $15,000,000 for each of fiscal years 2013 through 2017."; and

(2) in subsection (b)(2), by striking "is authorized to be appropriated to carry out this subsection" and all that follows and inserting the following: "are authorized to be appropriated to carry out this subsection—

"(1) $25,000,000 for each of fiscal years 2008 through 2012; and

"(2) $15,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7503. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.

Section 14121(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8921(b)) is amended by striking "is authorized to be appropriated to carry out this section" and all that follows and inserting the following: "are authorized to be appropriated to carry out this section—

"(1) $50,000,000 for each of fiscal years 2008 through 2012; and

"(2) $15,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7504. AGRICULTURAL BIOSECURITY GRANT PROGRAM.

Section 14122(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8922(e)) is amended—

(1) by striking "sums as are necessary"; and

(2) by striking "section" and all that follows and inserting the following: "section—

"(1) such sums as are necessary for each of fiscal years 2008 through 2012, to remain available until expended; and

"(2) $5,000,000 for each of fiscal years 2013 through 2017, to remain available until expended.".

PART 2—MISCELLANEOUS

SEC. 7511. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.

Section 308 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a) is amended—

(1) in subsection (b)(6)(A), by striking "5 years" and inserting "9 years"; and

(2) in subsection (d)(2), by striking "1, 3, and 5 years" and inserting "5, 7, and 9 years".

SEC. 7512. GRAZINGLANDS RESEARCH LABORATORY.

Section 7502 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2019) is amended by striking "5-year period" and inserting "9-year period".

SEC. 7513. BUDGET SUBMISSION AND FUNDING.

Section 7506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7614c) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) DEFINITIONS.—In this section:

"(1) COVERED PROGRAM.—The term 'covered program' means—

"(A) each research program carried out by the Agricultural Research Service or the Economic Research Service for which annual appropriations are requested in the annual budget submission of the President; and

"(B) each competitive program carried out by the National Institute of Food and Agriculture for which annual appropriations are requested in the annual budget submission of the President.

"(2) REQUEST FOR AWARDS.—The term 'request for awards' means a funding announcement published by the National Institute of Food and Agriculture that provides detailed information on funding opportunities at the Institute, including the purpose, eligibility, restriction, focus areas, evaluation criteria, regulatory information, and instructions on how to apply for such opportunities."; and

(2) by adding at the end the following new subsections:

"(e) ADDITIONAL PRESIDENTIAL BUDGET SUBMISSION REQUIREMENT.—

"(1) IN GENERAL.—Each year, the President shall submit to Congress, together with the annual budget submission of the President, the information described in paragraph (2) for each funding request for a covered program.

"(2) INFORMATION DESCRIBED.—The information described in this paragraph includes—

"(A) baseline information, including with respect to each covered program—

"(i) the funding level for the program for the fiscal year preceding the year the annual budget submission of the President is submitted;

"(ii) the funding level requested in the annual budget submission of the President, including any increase or decrease in the funding level; and

"(iii) an explanation justifying any change from the funding level specified in clause (i) to the level specified in clause (ii);

"(B) with respect to each covered program that is carried out by the Economic Research Service or the Agricultural Research Service, the location and staff years of the program;

"(C) the proposed funding levels to be allocated to, and the expected publication date, scope, and allocation level for, each request for awards to be published under or associated with—

"(i) each priority area specified in section 2(b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(2));

"(ii) each research and extension project carried out under section 1621(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5811(a));

"(iii) each grant to be awarded under section 1672B(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b(a));

"(iv) each grant awarded under section 412(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(d)); and

"(v) each grant awarded under 7405(c)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(c)(1)); or

"(D) any other information the Secretary determines will increase congressional oversight with respect to covered programs.

"(3) PROHIBITION.—Unless the President submits the information described in paragraph (2)(C) for a fiscal year, the President may not carry out any program during the fiscal year that is authorized under—

"(A) section 2(b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b));

"(B) section 1621 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5811);

"(C) section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b);

"(D) section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632); or

"(E) section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).

"(f) REPORT OF THE SECRETARY OF AGRICULTURE.—Each year on a date that is not later than the date on which the President submits the annual budget, the Secretary shall submit to Congress a report containing a description of the agricultural research, extension, and education activities carried out by the Federal Government during the fiscal year that immediately precedes the year for which the report is submitted, including—

"(1) a review of the extent to which those activities—

"(A) are duplicative or overlap within the Department of Agriculture; or

"(B) are similar to activities carried out by—

"(i) other Federal agencies;

"(ii) the States (including the District of Columbia, the Commonwealth of Puerto Rico and other territories or possessions of the United States);

"(iii) institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)); or

"(iv) the private sector; and

"(2) for each report submitted under this section on or after January 1, 2013, a 5-year projection of national priorities with respect to agricultural research, extension, and education, taking into account domestic needs.".

SEC. 7514. REPEAL OF RESEARCH AND EDUCATION GRANTS FOR THE STUDY OF ANTIBIOTIC-RESISTANT BACTERIA.

Section 7521 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 3202) is repealed.

SEC. 7515. REPEAL OF FARM AND RANCH STRESS ASSISTANCE NETWORK.

Section 7522 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5936) is repealed.

SEC. 7516. REPEAL OF SEED DISTRIBUTION.

Section 7523 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 415–1) is repealed.

SEC. 7517. NATURAL PRODUCTS RESEARCH PROGRAM.

Section 7525(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5937(e)) is amended to read as follows:

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2013 through 2017.".

SEC. 7518. SUN GRANT PROGRAM.

(a) IN GENERAL.—Section 7526 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114) is amended—

(1) in subsection (a)(4)(B), by striking "the Department of Energy" and inserting "other appropriate Federal agencies (as determined by the Secretary)";

(2) in subsection (c)(1)—

(A) in subparagraph (B), by striking "multistate" and all that follows through the period and inserting "integrated, multistate research, extension, and education programs on technology development and technology implementation.";

(B) by striking subparagraph (C); and

(C) by redesignating subparagraph (D) as subparagraph (C);

(3) in subsection (d)—

(A) in paragraph (1)—

(i) by striking "in accordance with paragraph (2)";

(ii) by striking "gasification" and inserting "bioproducts"; and

(iii) by striking "the Department of Energy" and inserting "other appropriate Federal agencies";

(B) by striking paragraph (2); and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(4) in subsection (g), by striking "2012" and inserting "2017".

(b) CONFORMING AMENDMENTS.—Section 7526(f)(1) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(f)(1)) is amended by striking "subsection (c)(1)(D)(i)" and inserting "subsection (c)(1)(C)(i)".

SEC. 7519. REPEAL OF STUDY AND REPORT ON FOOD DESERTS.

Section 7527 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2039) is repealed.

SEC. 7520. REPEAL OF AGRICULTURAL AND RURAL TRANSPORTATION RESEARCH AND EDUCATION.

Section 7529 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5938) is repealed.

SEC. 7521. CONVEYANCE OF LAND COMPRISING SUBTROPICAL HORTICULTURE RESEARCH STATION.

(a) DEFINITIONS.—In this section:

(1) COUNTY.—The term "County" means Miami-Dade County in the State of Florida.

(2) PROPERTY.—The term "Property" means approximately 2 acres, more or less, of the federally owned land comprising the Subtropical Horticulture Research Station in the County, which—

(A) has been mutually delineated by the Secretary and the authorized representative of the County; and

(B) fronts on SW 67th Avenue in Palmetto Bay, Florida.

(3) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(b) PROPERTY CONVEYANCE.—

(1) IN GENERAL.—Not later than 120 days after the date on which the County deposits the consideration under paragraph (2) and cost reimbursement provided in this section with the Department of Agriculture, the Secretary shall convey and quitclaim to the County, all rights, title, and interests of the United States in the Property, subject to easements and rights of record and such other reservations, terms, and conditions as the Secretary may prescribe.

(2) CONSIDERATION.—

(A) IN GENERAL.—As consideration for the conveyance of the Property, the County shall pay to the Secretary an amount in cash equal to the market value of the property.

(B) APPRAISAL.—To determine the market value of the Property, the Secretary shall have the Property appraised for the highest and best use of the Property in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions developed by the Interagency Land Acquisition Conference. The approved appraisal shall at all times be the property of the United States.

(3) CORRECTIONS.—With the agreement of the County, the Secretary may make minor corrections or modifications to the legal description of the Property.

(4) COSTS.—

(A) TRANSACTION COSTS.—Except as provided in subparagraph (C), the County shall, at closing for the conveyance of the Property under this section, pay or reimburse the Secretary, as appropriate, for the reasonable transaction and administrative personnel costs associated with the conveyance authorized by this section, including the transaction costs of appraisal, title, hazardous substances examination, and closing costs.

(B) ADMINISTRATIVE COSTS.—In addition to transaction costs under subparagraph (A), the County shall pay administrative costs in the liquidated amount of $50,000.

(C) ATTORNEYS' FEES.—The County and the Secretary shall each bear their own attorneys' fees.

(5) SURVEY.—The County shall, at its cost, survey the exterior boundaries of the Subtropical Horticulture Research Station and the Property in accordance with Federal survey standards and to the satisfaction of the Secretary, and shall provide to the Secretary certified originals with signature and raised seal.

(6) RELEASE.—The County, by a recordable instrument that the Secretary determines is satisfactory, shall release the Department of Agriculture from the instrument dated September 8, 2006, titled "Unity of Title".

(7) SECURITY FENCING.—On or before closing for the conveyance of the Property under this section, the County shall, at its cost, contract for the construction of a security fence located on the boundary between the Property and the adjacent land administered by the Secretary. The fence shall be of materials and standards approved in advance by the Secretary. The Secretary may approve temporary security structures for use during construction phases of the fence.

(8) OTHER TERMS.—The Secretary and the County may otherwise effect the purpose of this section on such additional terms as are mutually acceptable and which are not inconsistent with the provisions of this section.

(c) RECEIPTS.—

(1) IN GENERAL.—The Secretary shall deposit all funds received from the conveyance authorized under this section, including the market value consideration and the reimbursement for costs, into the Treasury of the United States to be credited to the appropriation for the Agricultural Research Service.

(2) USE OF FUNDS.—Notwithstanding any limitation in applicable appropriation Acts for the Department of Agriculture or the Agricultural Research Service, all funds deposited into the Treasury pursuant to subsection (b) shall be available to the Secretary until expended, without further appropriation, for the operation, upkeep, and maintenance of the Subtropical Horticulture Research Station.

SEC. 7522. CONCESSIONS, FEES, AND VOLUNTARY SERVICES AT NATIONAL ARBORETUM.

Section 6 of the Act of March 4, 1927 (20 U.S.C. 196) is amended—

(1) in subsection (a)(1), by inserting "or nonprofit organizations that support the purpose of the National Arboretum" after "mission of the National Arboretum"; and

(2) by adding at the end the following new subsection:

"(d) RECOGNITION OF DONORS.—A non-profit organization granted a concession under subsection (a)(1) may recognize donors if such recognition is approved in advance by the Secretary.".

SEC. 7523. COTTON DISEASE RESEARCH REPORT.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the fungus fusarium oxysporum f. sp. vasinfectum race 4 (referred to in this section as "FOV Race 4") and the impact of such fungus on cotton, including—

(1) an overview of the threat FOV Race 4 poses to the cotton industry in the United States;

(2) the status and progress of Federal research initiatives to detect, contain, or eradicate FOV Race 4, including current FOV Race 4-specific research projects; and

(3) a comprehensive strategy to combat FOV Race 4 that establishes—

(A) detection and identification goals;

(B) containment goals;

(C) eradication goals; and

(D) a plan to partner with the cotton industry in the United States to maximize resources, information sharing, and research responsiveness and effectiveness.

SEC. 7524. MISCELLANEOUS TECHNICAL CORRECTIONS.

Sections 7408 and 7409 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2013) are both amended by striking "Title III of the Department of Agriculture Reorganization Act of 1994" and inserting "Title III of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994".

TITLE VIII—FORESTRY

Subtitle A—Repeal of Certain Forestry Programs

SEC. 8001. FOREST LAND ENHANCEMENT PROGRAM.

(a) REPEAL.—Section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103) is repealed.

(b) CONFORMING AMENDMENT.—Section 8002 of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 16 U.S.C. 2103 note) is amended by striking subsection (a).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2012.

SEC. 8002. WATERSHED FORESTRY ASSISTANCE PROGRAM.

(a) REPEAL.—Section 6 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103b) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 8003. EXPIRED COOPERATIVE NATIONAL FOREST PRODUCTS MARKETING PROGRAM.

Section 18 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2112) is repealed.

SEC. 8004. HISPANIC-SERVING INSTITUTION AGRICULTURAL LAND NATIONAL RESOURCES LEADERSHIP PROGRAM.

(a) REPEAL.—Section 8402 of the Food, Conservation, and Energy Act of 2008 (16 U.S.C. 1649a) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 8005. TRIBAL WATERSHED FORESTRY ASSISTANCE PROGRAM.

(a) REPEAL.—Section 303 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6542) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2012.

SEC. 8006. SEPARATE FOREST SERVICE DECISIONMAKING AND APPEALS PROCESS.

Section 322 of the Department of the Interior and Related Agencies Appropriations Act, 1993 (Public Law 102–381; 16 U.S.C. 1612 note) is repealed. Section 428 of division E of the Consolidated Appropriations Act, 2012 (Public Law 112–74; 125 Stat. 1046; 16 U.S.C. 6515 note) shall not apply to any project or activity implementing a land and resource management plan developed under section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) that is categorically excluded from documentation in an environmental assessment or an environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

Subtitle B—Reauthorization of Cooperative Forestry Assistance Act of 1978 Programs

SEC. 8101. FOREST LEGACY PROGRAM.

Subsection (m) of section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c) is amended to read as follows:

"(m) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

"(1) such sums as are necessary for fiscal year 2012; and

"(2) $55,000,000 for each of fiscal years 2013 through 2017.".

SEC. 8102. COMMUNITY FOREST AND OPEN SPACE CONSERVATION PROGRAM.

Subsection (g) of section 7A of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103d) is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

"(1) such sums as are necessary for fiscal year 2012; and

"(2) $1,500,000 for each of fiscal years 2013 through 2017.".

Subtitle C—Reauthorization of Other Forestry-Related Laws

SEC. 8201. RURAL REVITALIZATION TECHNOLOGIES.

Section 2371(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6601(d)(2)) is amended by striking "2012" and inserting "2017".

SEC. 8202. OFFICE OF INTERNATIONAL FORESTRY.

Subsection (d) of section 2405 of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6704) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

"(1) such sums as are necessary for each of fiscal years 1996 through 2012; and

"(2) $6,000,000 for each of fiscal years 2013 through 2017.".

SEC. 8203. CHANGE IN FUNDING SOURCE FOR HEALTHY FORESTS RESERVE PROGRAM.

Section 508 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6578) is amended—

(1) in subsection (a), by striking "IN GENERAL" and inserting "FISCAL YEARS 2009 THROUGH 2012";

(2) by redesignating subsection (b) as subsection (d); and

(3) by inserting after subsection (a) the following new subsections:

"(b) FISCAL YEARS 2013 THROUGH 2017.—There is authorized to be appropriated to the Secretary of Agriculture to carry out this section $9,750,000 for each of fiscal years 2013 through 2017.

"(c) ADDITIONAL SOURCE OF FUNDS.—In addition to funds appropriated pursuant to the authorization of appropriations in subsection (b) for a fiscal year, the Secretary may use such amount of the funds appropriated for that fiscal year to carry out the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a et seq.) as the Secretary determines necessary to cover the cost of technical assistance, management, and enforcement responsibilities for land enrolled in the healthy forests reserve program pursuant to subsections (a) and (b) of section 504.".

SEC. 8204. STEWARDSHIP END RESULT CONTRACTING PROJECT AUTHORITY.

Section 347(a) of the Department of the Interior and Related Agencies Appropriations Act, 1999 (as contained in section 101(e) of division A of Public Law 105–277; 16 U.S.C. 2104 note) is amended by striking "2013" and inserting "2017".

Subtitle D—National Forest Critical Area Response

SEC. 8301. DEFINITIONS.

In this title:

(1) CRITICAL AREA.—The term "critical area" means an area of the National Forest System designated by the Secretary under section 8302

(2) NATIONAL FOREST SYSTEM.—The term "National Forest System" has the meaning given that term in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

(3) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 8302. DESIGNATION OF CRITICAL AREAS.

(a) DESIGNATION REQUIREMENTS.—The Secretary of Agriculture shall designate critical areas within the National Forest System for the purposes of addressing—

(1) deteriorating forest health conditions in existence as of the date of the enactment of this Act due to insect infestation, drought, disease, or storm damage; and

(2) the future risk of insect infestations or disease outbreaks through preventative treatments.

(b) DESIGNATION METHOD.—In considering National Forest System land for designation as a critical area, the Secretary shall use—

(1) for purposes of subsection (a)(1), the most recent annual forest health aerial surveys of mortality and defoliation; and

(2) for purposes of subsection (a)(2), the National Insect and Disease Risk Map.

(c) TIME FOR INITIAL DESIGNATIONS.—The first critical areas shall be designated by the Secretary not later than 60 days after the date of the enactment of this Act.

(d) DURATION OF DESIGNATION.—The designation of a critical area shall expire not later than 10 years after the date of the designation.

SEC. 8303. APPLICATION OF EXPEDITED PROCEDURES AND ACTIVITIES OF THE HEALTHY FORESTS RESTORATION ACT OF 2003 TO CRITICAL AREAS.

(a) APPLICABILITY.—Subject to subsections (b) through (e), title I of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6511 et seq.) (including the environmental analysis requirements of section 104 of that Act (16 U.S.C. 6514), the special administrative review process under section 105 of that Act (16 U.S.C. 6515), and the judicial review process under section 106 of that Act (16 U.S.C. 6516)), shall apply to all Forest Service projects and activities carried out in a critical area.

(b) APPLICATION OF OTHER LAW.—Section 322 of Public Law 102–381 (16 U.S.C. 1612 note; 106 Stat. 1419) shall not apply to projects conducted in accordance with this section.

(c) REQUIRED MODIFICATIONS.—In applying title I of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6511 et seq.) to Forest Service projects and activities in a critical area, the Secretary shall make the following modifications:

(1) The authority shall apply to the entire critical area, including land that is outside of a wildland-urban interface area or that does not satisfy any of the other eligibility criteria specified in section 102(a) of that Act (16 U.S.C. 6512(a)).

(2) All projects and activities of the Forest Service, including necessary connected actions (as described in section 1508.25(a)(1) of title 40, Code of Federal

Regulations (or a successor regulation)), shall be considered to be authorized hazardous fuel reduction projects for purposes of applying the title.

(d) SMALLER PROJECTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a project conducted in a critical area in accordance with this section that comprises less than 10,000 acres shall be—

(A) considered an action categorically excluded from the requirements for an environmental assessment or an environmental impact statement under section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation); and

(B) exempt from the special administrative review process under section 105 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6515).

(2) EXCLUSION OF CERTAIN AREAS.—Paragraph (1) does not apply to—

(A) a component of the National Wilderness Preservation System;

(B) any Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited;

(C) a congressionally designated wilderness study area; or

(D) an area in which activities under paragraph (1) would be inconsistent with the applicable land and resource management plan.

(e) FOREST MANAGEMENT PLANS.—All projects and activities carried out in a critical area pursuant to this subtitle shall be consistent with the land and resource management plan established under section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) for the unit of the National Forest System containing the critical area.

SEC. 8304. GOOD NEIGHBOR AUTHORITY.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE STATE.—The term "eligible State" means a State that contains National Forest System land.

(2) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(3) STATE FORESTER.—The term "State forester" means the head of a State agency with jurisdiction over State forestry programs in an eligible State.

(b) COOPERATIVE AGREEMENTS AND CONTRACTS.—

(1) IN GENERAL.—The Secretary may enter into a cooperative agreement or contract (including a sole source contract) with a State forester to authorize the State forester to provide the forest, rangeland, and watershed restoration and protection services described in paragraph (2) on National Forest System land in the eligible State.

(2) AUTHORIZED SERVICES.—The forest, rangeland, and watershed restoration and protection services referred to in paragraph (1) include the conduct of—

(A) activities to treat insect infected trees;

(B) activities to reduce hazardous fuels; and

(C) any other activities to restore or improve forest, rangeland, and watershed health, including fish and wildlife habitat.

(3) STATE AS AGENT.—Except as provided in paragraph (6), a cooperative agreement or contract entered into under paragraph (1) may authorize the State forester to serve as the agent for the Secretary in providing the restoration and protection services authorized under that paragraph.

(4) SUBCONTRACTS.—In accordance with applicable contract procedures for the eligible State, a State forester may enter into subcontracts to provide the restoration and protection services authorized under a cooperative agreement or contract entered into under paragraph (1).

(5) TIMBER SALES.—Subsections (d) and (g) of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a) shall not apply to services performed under a cooperative agreement or contract entered into under paragraph (1).

(6) RETENTION OF NEPA RESPONSIBILITIES.—Any decision required to be made under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any restoration and protection services to be provided under this section by a State forester on National Forest System land shall not be delegated to a State forester or any other officer or employee of the eligible State.

(7) APPLICABLE LAW.—The restoration and protection services to be provided under this section shall be carried out on a project-to-project basis under existing authorities of the Forest Service.

Subtitle E—Miscellaneous Provisions

SEC. 8401. REVISION OF STRATEGIC PLAN FOR FOREST INVENTORY AND ANALYSIS.

(a) REVISION REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall revise the strategic plan for forest inventory and analysis initially prepared pursuant to section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(e)) to address the requirements imposed by subsection (b).

(b) ELEMENTS OF REVISED STRATEGIC PLAN.—In revising the strategic plan, the Secretary of Agriculture shall describe in detail the organization, procedures, and funding needed to achieve each of the following:

(1) Complete the transition to a fully annualized forest inventory program and include inventory and analysis of interior Alaska.

(2) Implement an annualized inventory of trees in urban settings, including the status and trends of trees and forests, and assessments of their ecosystem services, values, health, and risk to pests and diseases.

(3) Report information on renewable biomass supplies and carbon stocks at the local, State, regional, and national level, including by ownership type.

(4) Engage State foresters and other users of information from the forest inventory and analysis in reevaluating the list of core data variables collected on forest inventory and analysis plots with an emphasis on demonstrated need.

(5) Improve the timeliness of the timber product output program and accessibility of the annualized information on that database.

(6) Foster greater cooperation among the forest inventory and analysis program, research station leaders, and State foresters and other users of information from the forest inventory and analysis.

(7) Promote availability of and access to non-Federal resources to improve information analysis and information management.

(8) Collaborate with the Natural Resources Conservation Service, National Aeronautics and Space Administration, National Oceanic and Atmospheric Administration, and United States Geological Survey to integrate remote sensing, spatial analysis techniques, and other new technologies in the forest inventory and analysis program.

(9) Understand and report on changes in land cover and use.

(10) Expand existing programs to promote sustainable forest stewardship through increased understanding, in partnership with other Federal agencies, of the over 10 million family forest owners, their demographics, and the barriers to forest stewardship.

(11) Implement procedures to improve the statistical precision of estimates at the sub-State level.

(c) SUBMISSION OF REVISED STRATEGIC PLAN.—The Secretary of Agriculture shall submit the revised strategic plan to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 8402. FOREST SERVICE PARTICIPATION IN ACES PROGRAM.

The Secretary of Agriculture, acting through the Chief of the Forest Service, may use funds derived from conservation-related programs executed on National Forest System lands to utilize the Agriculture Conservation Experienced Services Program established pursuant to section 1252 of the Food Security Act of 1985 (16 U.S.C. 3851) to provide technical services for conservation-related programs and authorities carried out by the Secretary on National Forest System lands.

TITLE IX—ENERGY

SEC. 9001. DEFINITION OF RENEWABLE ENERGY SYSTEM.

Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended by—

(1) striking paragraph (4) and inserting the following:

"(4) BIOBASED PRODUCT.—

"(A) IN GENERAL.—The term 'biobased product' means a product determined by the Secretary to be a commercial or industrial product (other than food or feed) that is—

"(i) composed, in whole or in significant part, of biological products, including renewable domestic agricultural materials and forestry materials; or

"(ii) an intermediate ingredient or feedstock.

"(B) INCLUSION.—The term 'biobased product', with respect to forestry materials, includes forest products that meet biobased content requirements, notwithstanding the market share the product holds, the age of the product, or whether the market for the product is new or emerging.";

(2) redesignating paragraphs (9), (10), (11), (12), (13), and (14) as paragraphs (10), (11), (12), (13), (14), and (16);

(3) inserting after paragraph (8), the following new paragraph:

"(9) FOREST PRODUCT.—

"(A) IN GENERAL.—The term 'forest product' means a product made from materials derived from the practice of forestry or the management of growing timber.

"(B) INCLUSIONS.—The term 'forest product' includes—

"(i) pulp, paper, paperboard, pellets, and wood products; and

"(ii) any recycled products derived from forest materials."; and

(4) inserting after paragraph (14) (as so redesignated), the following new paragraph:

"(15) RENEWABLE ENERGY SYSTEM.—

"(A) IN GENERAL.—Subject to subparagraph (B), the term 'renewable energy system' means a system that—

"(i) produces usable energy from a renewable energy source; and

"(ii) may include distribution components necessary to move energy produced by such system to the initial point of sale.

"(B) LIMITATION.—A system described in subparagraph (A) may not include a mechanism for dispensing energy at retail.".

SEC. 9002. BIOBASED MARKETS PROGRAM.

Section 9002(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102(h)) is amended—

(1) in the heading of paragraph (1), by inserting "FOR FISCAL YEARS 2008 THROUGH 2012" after "FUNDING";

(2) in the heading of paragraph (2), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING"; and

(3) by adding at the end the following new paragraph:

"(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9003. BIOREFINERY ASSISTANCE.

(a) PROGRAM ADJUSTMENTS.—Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) is amended—

(1) in subsection (c), by striking "to eligible entities" and all that follows through "guarantees for loans" and inserting "to eligible entities guarantees for loans";

(2) by striking subsection (d);

(3) by redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively; and

(4) in subsection (d) (as so redesignated)—

(A) by striking "subsection (c)(2)" each place it appears and inserting "subsection (c)"; and

(B) in paragraph (2)(C), by striking "subsection (h)" and inserting "subsection (g)".

(b) FUNDING.—Section 9003(g) of the Farm Security and Rural Investment Act of 2002, as redesignated by subsection (a)(3), is amended—

(1) in the heading of paragraph (1), by inserting "FOR FISCAL YEARS 2009 AND 2010" after "FUNDING";

(2) in the heading of paragraph (2), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING"; and

(3) by adding at the end the following new paragraph:

"(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9004. REPEAL OF REPOWERING ASSISTANCE PROGRAM AND TRANSFER OF REMAINING FUNDS.

(a) REPEAL.—Subject to subsection (b), section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104) is repealed.

(b) USE OF REMAINING FUNDING FOR RURAL ENERGY FOR AMERICA PROGRAM.—Funds made available pursuant to subsection (d) of such section 9004 that are unobligated on the day before the date of the enactment of this section shall—

(1) remain available until expended;

(2) be used by the Secretary of Agriculture to carry out financial assistance for energy efficiency improvements and renewable energy systems under section 9007(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(a)(2)); and

(3) be in addition to any other funds made available to carry out that program.

SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.

Section 9005(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105(c)) is amended—

(1) in the heading of paragraph (1), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING";

(2) in the heading of paragraph (2), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING";

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following new paragraph:

"(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.

Subsection (d) of section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(d)) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.

(a) PROGRAM ADJUSTMENTS.—

(1) REPEAL OF FEASIBILITY STUDIES.—Section 9007(c) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(c)) is amended by striking paragraph (3).

(2) TIERED APPLICATION PROCESS.—Section 9007(c) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(c)) is further amended by—

(A) redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) TIERED APPLICATION PROCESS.—In carrying out this subsection, the Secretary shall establish a three-tiered application, evaluation, and oversight process that varies based on the cost of the proposed project with the process most simplified for projects referred to in subparagraph (A), more comprehensive for projects referred to in subparagraph (B), and most comprehensive for projects referred to in subparagraph (C). The three tiers for such process shall be as follows:

"(A) TIER 1.—Projects for which the cost of the project funded under this subsection is not more than $80,000.

"(B) TIER 2.—Projects for which the cost of the project funded under this subsection is more than $80,000 but less than $200,000.

"(C) TIER 3.—Projects for which the cost of the project funded under this subsection is $200,000 or more.".

(b) FUNDING.—Section 9007(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(g)) is amended—

(1) in the heading of paragraph (1), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING";

(2) in the heading of paragraph (2), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING";

(3) in the heading of paragraph (3), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING"; and

(4) by adding at the end the following new paragraph:

"(4) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $45,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9008. BIOMASS RESEARCH AND DEVELOPMENT.

Section 9008(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108(h)) is amended—

(1) in the heading of paragraph (1), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING";

(2) in the heading of paragraph (2), by inserting "FOR FISCAL YEARS 2009 THROUGH 2012" after "FUNDING"; and

(3) by adding at the end the following new paragraph:

"(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9009. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS.

Section 9010(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110(b)) is amended—

(1) in paragraph (1)(A), by striking "2012" and inserting "2017"; and

(2) in paragraph (2)(A), by striking "2012" and inserting "2017".

SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.

Section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) is amended—

(1) in subsection (a)—

(A) by striking paragraph (6); and

(B) by redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively;

(2) in subsection (b)—

(A) by striking "Program to" and all that follows through "support the establishment" and inserting "Program to support the establishment";

(B) by striking "; and" and inserting a period; and

(C) by striking paragraph (2);

(3) in subsection (c)—

(A) in paragraph (2)(B)—

(i) in clause (viii), by striking "; and" and inserting a semicolon;

(ii) by redesignating clause (ix) as clause (x); and

(iii) by inserting after clause (viii) the following new clause:

"(ix) existing project areas that have received funding under this section and the continuation of funding of such project areas to advance the maturity of such project areas; and"; and

(B) in paragraph (5)(C)(ii)—

(i) by striking subclause (III); and

(ii) by redesignating subclauses (IV) and (V) as subclauses (III) and (IV), respectively;

(4) by striking subsection (d);

(5) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively; and

(6) in subsection (e) (as so redesignated)—

(A) by striking "(e) FUNDING.—Of the funds" and inserting "(e) FUNDING.—

"(1) FISCAL YEARS 2008 THROUGH 2012.—Of the funds"; and

(B) by adding at the end the following new paragraph:

"(2) FISCAL YEARS 2013 THROUGH 2017.—

"(A) IN GENERAL.—Subject to subparagraph (B), there are authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2013 through 2017.

"(B) MULTIYEAR CONTRACTS.—For each multiyear contract entered into by the Secretary during a fiscal year under this section, the Secretary shall ensure that sufficient funds are obligated from the appropriation for that fiscal year to fully cover all payments required by the contract for all years of the contract.".

SEC. 9011. COMMUNITY WOOD ENERGY PROGRAM.

Section 9013(e) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(e)) is amended by striking "carry out this section" and all that follows and inserting the following: "carry out this section—

"(1) $5,000,000 for each of fiscal years 2009 through 2012; and

"(2) $2,000,000 for each of fiscal years 2013 through 2017.".

SEC. 9012. REPEAL OF BIOFUELS INFRASTRUCTURE STUDY.

Section 9002 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2095) is repealed.

SEC. 9013. REPEAL OF RENEWABLE FERTILIZER STUDY.

Section 9003 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2096) is repealed.

TITLE X—HORTICULTURE

SEC. 10001. SPECIALTY CROPS MARKET NEWS ALLOCATION.

Section 10107(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622b(b)) is amended by striking "2012" and inserting "2017".

SEC. 10002. REPEAL OF GRANT PROGRAM TO IMPROVE MOVEMENT OF SPECIALTY CROPS.

Section 10403 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622c) is repealed.

SEC. 10003. FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM.

Section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005) is amended—

(1) in the section heading, by inserting "**AND LOCAL FOOD**" after "**FARMERS' MARKET**";

(2) in subsection (a)—

(A) by inserting "and Local Food" after "Farmers' Market";

(B) by striking "farmers' markets and to promote"; and

(C) by striking the period and inserting "and assist in the development of local food business enterprises.";

(3) in subsection (b), by striking paragraph (1) and inserting the following new paragraph:

"(1) IN GENERAL.—The purposes of the Program are to increase domestic consumption of, and consumer access to, locally and regionally produced agricultural products by assisting in the development, improvement, and expansion of—

"(A) domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, and other direct producer-to-consumer market opportunities; and

"(B) local and regional food business enterprises that process, distribute, aggregate, and store locally or regionally produced food products.";

(4) in subsection (c)(1)—

(A) by inserting "or other agricultural business entity" after "cooperative"; and

(B) by inserting ", including a community supported agriculture network or association" after "association";

(5) by redesignating subsection (e) as subsection (g);

(6) by inserting after subsection (d) the following new subsections:

"(e) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applications submitted by eligible entities that include proposals for projects that—

"(1) benefit underserved communities;

"(2) develop market opportunities for small and mid-sized farm and ranch operations; and

"(3) include a strategic plan to maximize the use of funds to build capacity for local and regional food systems in a community.

"(f) FUNDS REQUIREMENTS FOR ELIGIBLE ENTITIES.—

"(1) MATCHING FUNDS.—An entity receiving a grant under this section for a project to carry out a purpose described in subsection (b)(1)(B) shall provide matching funds in the form of cash or an in-kind contribution in an amount equal to 25 percent of the total cost of such project.

"(2) LIMITATION ON USE OF FUNDS.—An eligible entity may not use a grant or other assistance provided under this section for the purchase, construction, or rehabilitation of a building or structure."; and

(7) in subsection (g) (as redesignated by paragraph (5))—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking "and" at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(D) $20,000,000 for each of fiscal years 2013 through 2017.";

(B) by striking paragraphs (2) and (4);

(C) by redesignating paragraph (3) as paragraph (5); and

(D) by inserting after paragraph (1) the following new paragraphs:

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2013 through 2017.

"(3) USE OF FUNDS.—Of the funds made available to carry out this section for a fiscal year, 50 percent of such funds shall be used for the purposes described

in subparagraph (A) of subsection (b)(1) and 50 percent of such funds shall be used for the purposes described in subparagraph (B) of such subsection.

"(4) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the total amount made available to carry out this section for a fiscal year may be used for administrative expenses.".

SEC. 10004. ORGANIC AGRICULTURE.

(a) ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.—Section 7407(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(d)) is amended—

(1) by redesignating paragraph (2) as paragraph (3);

(2) by inserting after paragraph (1) the following new paragraph:

"(2) MANDATORY FUNDING.—In addition to funds made available under paragraph (1), of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $5,000,000, to remain available until expended."; and

(3) in paragraph (3) (as redesignated by paragraph (1))—

(A) by striking "paragraph (1)" and inserting "paragraphs (1) and (2)"; and

(B) by striking "2012" and inserting "2017".

(b) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—Section 2122 of the Organic Foods Production Act of 1990 (7 U.S.C. 6521) is amended by adding at the end the following new subsection:

"(c) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—The Secretary shall modernize database and technology systems of the national organic program.".

(c) AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ORGANIC PROGRAM.—Section 2123 of the Organic Foods Production Act of 1990 (7 U.S.C. 6522) is amended—

(1) in subsection (b)—

(A) in paragraph (5), by striking "and" at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) $11,000,000 for each of fiscal years 2013 through 2017; and"; and

(2) by adding at the end the following new subsection:

"(c) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—Of the funds of the Commodity Credit Corporation and in addition to any other funds made available to carry out section 2122(c), the Secretary shall use to carry out such section $5,000,000 for fiscal year 2013, to remain available until expended.".

(d) NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.—Section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523) is repealed.

SEC. 10005. INVESTIGATIONS AND ENFORCEMENT OF THE ORGANIC FOODS PRODUCTION ACT OF 1990.

The Organic Foods Production Act of 1990 is amended by inserting after section 2122 (7 U.S.C. 6521) the following new section:

"SEC. 2122A. INVESTIGATIONS AND ENFORCEMENT.

"(a) INVESTIGATION.—

"(1) IN GENERAL.—The Secretary may take such investigative actions as the Secretary considers to be necessary to carry out this title—

"(A) to verify the accuracy of any information reported or made available under this title; and

"(B) to determine, with regard to actions, practices, or information required under this title, whether a person covered by this title has committed a violation of any provision of this title.

"(2) INVESTIGATIVE POWERS.—The Secretary may administer oaths and affirmations, subpoena witnesses, compel attendance of witnesses, take evidence, and require the production of any records required to be maintained under section 2112(d) or 2116(c) that are relevant to the investigation.

"(b) UNLAWFUL ACT.—It shall be unlawful and a violation of this title for any person covered by this title—

"(1) to refuse to provide information required by the Secretary under this title; or

"(2) to violate—

"(A) a suspension or revocation of the organic certification of a producer or handler; or

"(B) a suspension or revocation of the accreditation of a certifying agent.

"(c) ENFORCEMENT.—

"(1) SUSPENSION.—

"(A) IN GENERAL.—The Secretary may, after notice and opportunity for an expedited administrative hearing, suspend the organic certification of a producer or handler, or accreditation of a certifying agent, if the Secretary has reason to believe that a person producing or handling an agricultural product, or a certifying agent, has violated or is violating any provision of this title. The decision to suspend a certification under this subparagraph by the Secretary may be appealed to a United States district court not later than 30 days after such decision is made and shall not take effect until judicial review of such decision is completed.

"(B) CONTINUATION OF SUSPENSION THROUGH APPEAL.—If the Secretary determines subsequent to an investigation that a violation of this title by a person covered by this title has occurred, the suspension shall remain in effect until the Secretary issues a revocation of the certification of the person or of the accreditation of the certifying agent, covered by this title, after an expedited administrative appeal under section 2121 has been completed.

"(2) REVOCATION.—After notice and opportunity for an administrative appeal under section 2121, if a violation of this title is determined to have occurred, the Secretary shall revoke the organic certification of the producer or handler, or the accreditation of the certifying agent.

"(d) APPEAL.—

"(1) IN GENERAL.—A revocation of a certification or an accreditation under subsection (c)(2) shall be final and conclusive unless the affected person files an appeal of the revocation, if the affected person so elects, to a United States district court as provided in section 2121(b) not later than 30 days after the date of the revocation under subsection (c)(2).

"(2) STANDARD.—A revocation of a certification or an accreditation under subsection (c)(2) shall be set aside only if the revocation of such certification or such accreditation is clearly erroneous.

"(e) NONCOMPLIANCE.—

"(1) IN GENERAL.—If a person covered by this title fails to obey a revocation of a certification or an accreditation under subsection (c)(2) after such revocation has become final and conclusive or after the appropriate United States district court has entered a final judgment in favor of the Secretary, the United States may apply to the appropriate United States district court for enforcement of such revocation.

"(2) ENFORCEMENT.—If the court determines that the revocation was lawfully made and duly served and that the person violated the revocation, the court shall enforce the revocation.

"(3) CIVIL PENALTY.—If the court finds that the person violated the revocation of a certification or an accreditation under subsection (c)(2), the person shall be subject to one or more of the penalties provided in subsections (a) and (b) of section 2120.".

SEC. 10006. FOOD SAFETY EDUCATION INITIATIVES.

Section 10105(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7655a(c)) is amended by striking "2012" and inserting "2017".

SEC. 10007. SPECIALTY CROP BLOCK GRANTS.

Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended—

(1) in subsection (a)—

(A) by striking "subsection (j)" and inserting "subsection (l)"; and

(B) by striking "2012" and inserting "2017";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) GRANTS BASED ON VALUE AND ACREAGE.—Subject to subsection (c), for each State whose application for a grant for a fiscal year that is accepted by the Secretary under subsection (f), the amount of the grant for such fiscal year to the State under this section shall bear the same ratio to the total amount made available under subsection (l)(1) for such fiscal year as—

"(1) the average of the most recent available value of specialty crop production in the State and the acreage of specialty crop production in the State, as demonstrated in the most recent Census of Agriculture data; bears to

"(2) the average of the most recent available value of specialty crop production in all States and the acreage of specialty crop production in all States, as demonstrated in the most recent Census of Agriculture data.";

(3) by redesignating subsection (j) as subsection (l);

(4) by inserting after subsection (i) the following new subsections:

"(j) MULTISTATE PROJECTS.—Not later than 180 days after the effective date of the Federal Agriculture Reform and Risk Management Act of 2012, the Secretary of Ag-

riculture shall issue guidance for the purpose of making grants to multistate projects under this section for projects involving—

"(1) food safety;

"(2) plant pests and disease;

"(3) research;

"(4) crop-specific projects addressing common issues; and

"(5) any other area that furthers the purposes of this section, as determined by the Secretary.

"(k) ADMINISTRATION.—

"(1) DEPARTMENT.—The Secretary of Agriculture may not use more than 3 percent of the funds made available to carry out this section for a fiscal year for administrative expenses.

"(2) STATES.—A State receiving a grant under this section may not use more than 8 percent of the funds received under the grant for a fiscal year for administrative expenses."; and

(5) in subsection (l) (as redesignated by paragraph (3))—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and moving such subparagraphs two ems to the right;

(B) by striking "Of the funds" and inserting the following:

"(1) IN GENERAL.—Of the funds";

(C) in paragraph (1) (as so designated)—

(i) in subparagraph (B) (as redesignated by subparagraph (A)), by striking "and" at the end;

(ii) in subparagraph (C) (as redesignated by subparagraph (A)), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(D) $70,000,000 for fiscal year 2013 and each fiscal year thereafter."; and

(D) by adding at the end the following new paragraph:

"(2) MULTISTATE PROJECTS.—Of the funds made available under paragraph (1), the Secretary may use to carry out subsection (j), to remain available until expended—

"(A) $1,000,000 for fiscal year 2013;

"(B) $2,000,000 for fiscal year 2014;

"(C) $3,000,000 for fiscal year 2015;

"(D) $4,000,000 for fiscal year 2016; and

"(E) $5,000,000 for fiscal year 2017.".

SEC. 10008. REPORT ON SPECIALTY CROP PRODUCTION BY CERTAIN FARMERS.

(a) REPORT REQUIRED.—The Secretary of Agriculture shall, in consultation with interested persons, submit to the Committee on Agriculture of the House of Representatives a report on specialty crop production by small-holder, women, minority, and socially disadvantaged producers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))) throughout the United States, including—

(1) an assessment of—

(A) the number of such producers in the United States;

(B) the economic and social challenges such producers have in increasing production capacity and value; and

(C) the resources needed to increase or add value to the production of such producers;

(2) a list of the resources available at the Department of Agriculture to provide assistance to such producers;

(3) an evaluation of private sector resources and initiatives that could be used to increase production capacity and value for the crops grown by such producers; and

(4) an evaluation of how geographic differences affect opportunities available to small-holder producers.

(b) UPDATES AND COMPLETION.—The Secetary shall submit the completed report required under subsection (a) not later than one year after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012. Beginning on such date of enactment, the Secretary shall update the Committee on Agriculture of the House of Representatives every 90 days on the progress made toward completing the report.

SEC. 10009. REPORT ON HONEY.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture, in consultation with persons affected by the potential establishment of a Federal standard for the identity of honey, shall submit to the Commissioner of Food and Drugs a report describing how an appropriate Federal

standard for the identity of honey would be in the interest of consumers, the honey industry, and United States agriculture.

(b) CONSIDERATIONS.—In preparing the report required under subsection (a), the Secretary shall take into consideration the March, 2006, Standard of Identity citizens petition filed with the Food and Drug Administration, including any current industry amendments or clarifications necessary to update such petition.

SEC. 10010. BULK SHIPMENTS OF APPLES TO CANADA.

(a) BULK SHIPMENT OF APPLES TO CANADA.—Section 4 of the Export Apple Act (7 U.S.C. 584) is amended—

(1) by striking "Apples in" and inserting "(a) Apples in"; and

(2) by adding at the end the following new subsection:

"(b) Apples may be shipped to Canada in bulk bins without complying with the provisions of this Act.".

(b) DEFINITION OF BULK BIN.—Section 9 of the Export Apple Act (7 U.S.C. 589) is amended by adding at the end the following new paragraph:

"(5) The term 'bulk bin' means a bin that contains a quantity of apples weighing more than 100 pounds.".

(c) REGULATIONS.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Agriculture shall issue regulations to carry out the amendments made by this section

SEC. 10011. INCLUSION OF OLIVE OIL IN IMPORT CONTROLS UNDER THE AGRICULTURAL ADJUSTMENT ACT.

Section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e–1(a)) is amended by inserting "olive oil," after "olives (other than Spanish-style green olives),".

SEC. 10012. PETITIONS TO DETERMINE ORGANISM NOT A PLANT PEST.

(a) PETITION TO DETERMINE ORGANISM NOT A PLANT PEST.—The Plant Protection Act is amended by inserting after section 411 (7 U.S.C. 7711) the following new section:

"SEC. 411A. PETITION TO DETERMINE ORGANISM NOT A PLANT PEST.

"(a) PETITION.—A person may petition the Secretary for a determination that an organism that is subject to regulation by the Secretary as a plant pest under this Act is not a plant pest for purposes of this Act.

"(b) REVIEW OF PETITION.—

"(1) ASSESSMENT AND ANALYSIS REQUIRED.—In reviewing a petition submitted under subsection (a), the Secretary shall conduct the following with respect to an organism that is the subject of the petition:

"(A) PLANT PEST RISK ASSESSMENT.—An assessment of the likelihood that such organism is a plant pest.

"(B) ENVIRONMENTAL ANALYSIS.—An analysis of any likely adverse effects of such organism on the soil, water, air quality, non-target organisms, and listed threatened and endangered species and the critical habitat of such species for the environment in which such organism is likely to be grown or otherwise used under the conditions specified in such petition.

"(2) DETERMINATION.—The Secretary shall issue a determination that an organism is not a plant pest for purposes of this Act if the Secretary determines, based on sound science and the plant pest risk assessment conducted under paragraph (1)(A), that an organism is not likely to be a plant pest.

"(3) REVIEW PERIOD.—

"(A) INITIAL REVIEW PERIOD.—Not later than one year after the date on which the Secretary determines that a petition submitted under subsection (a) is complete, the Secretary shall complete the plant pest risk assessment and the environmental analysis required under paragraph (1) and issue a determination with respect to such petition under paragraph (2).

"(B) EXTENSION.—The Secretary may extend the one-year review period referred to in subparagraph (A) for a petition for one additional period of not more than 180 days if the Secretary determines that additional review is necessary. The Secretary shall notify the person who submitted the petition, in writing, of the reasons for the extension and an estimate of the time period necessary to complete the review.

"(4) EFFECT OF FAILURE TO MEET TIME PERIOD.—Notwithstanding any other provision of law, if after completing the plant pest risk assessment, but not the environmental analysis, required under paragraph (1), the Secretary finds that there is no reason to believe that an organism is a plant pest and does not grant or deny a petition submitted under subsection (a) with respect to such organism within the time period required under paragraph (3), such organism shall be deemed not to be a plant pest for purposes of this Act.

"(5) EFFECT ON PESTICIDE REGISTRATION.—In the case of an organism containing a plant-incorporated protectant (as defined in section 174.3 of title 40, Code of Federal Regulations, or any successor regulation) with respect to which an application for registration of the plant-incorporated protectant is pending under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.), a determination made under paragraph (2) that an organism is not a plant pest or the deeming that an organism is not a plant pest under paragraph (4) shall not be effective until the registration of the plant-incorporated protectant contained in such organism is approved under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.). If such registration is not approved, a determination made under paragraph (2) that an organism is not a plant pest or a deeming that an organism is not a plant pest under paragraph (4) shall not become effective.

"(6) SUBSEQUENT AUTHORITY TO REGULATE.—Notwithstanding a determination that an organism is not a plant pest under paragraph (2) or that such organism has been deemed not to be a plant pest under paragraph (4), the Secretary may issue a determination, based on information discovered after the date of such determination or the date on which the organism was so deemed and sound science, that an organism is a plant pest for purposes of this Act.

"(7) PUBLIC NOTICE.—

"(A) NOTICE.—The Secretary shall publish notice in the Federal Register of—

"(i) the grant or denial of a petition submitted under subsection (a) with respect to an organism; or

"(ii) the deeming that such organism is not a plant pest under paragraph (4).

"(B) RISK ASSESSMENTS AND ENVIRONMENTAL ANALYSIS.—The Secretary shall provide to the person who submitted a petition under subsection (a), and make available to the public, the risk assessment and environmental analysis prepared under paragraph (1) with respect to such petition.

"(c) APPLICABILITY OF ENVIRONMENTAL ANALYSIS CONDUCTED FOR PETITION TO DETERMINE ORGANISM NOT A PLANT PEST.—

"(1) EXCLUSIVE ANALYSIS PERFORMED.—Notwithstanding any other provision of law, the environmental analysis required under subsection (b)(1) and as specifically described in such subsection shall be the only analysis or procedure regarding the effects on the environment of an organism that is the subject of a petition submitted under subsection (a) required or authorized by law with respect to reviewing and taking action on such a petition.

"(2) PROHIBITION ON USE OF FUNDS FOR OTHER ANALYSES.—No funds made available by any Act shall be obligated, expended, or used for any analysis or procedure regarding the effects on the environment of an organism conducted for purposes of this section other than the environmental analysis required under subsection (b)(1).

"(3) PROHIBITION ON SOLICITATION OF FUNDS FOR ENVIRONMENTAL ANALYSIS.—The Secretary shall not require or solicit any financial assistance from a person submitting a petition under subsection (a) for any analysis or procedure regarding the effects on the environment of an organism or for any other analysis or procedure not specifically authorized by subsection (b)(1).

"(d) USE OF DATA FROM PERMITS FOR PURPOSES OF PETITION FOR A DETERMINATION THAT AN ORGANISM NOT A PLANT PEST.—Notwithstanding any other provision of law, the Secretary shall use data collected under a permit issued by the Secretary under section 411(a) with respect to an organism, among other relevant data, for purposes of the review of a petition submitted under subsection (a) with respect to such organism.".

(b) AUTHORITY OF REVIEW FOR AND ENVIRONMENTAL ANALYSIS APPLICABLE TO PERMITS.—Section 411 of the Plant Protection Act (7 U.S.C. 7711) is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (b), the following new subsections:

"(c) LIMITATION ON ANALYSES AND PROCEDURES FOR PERMITS.—Notwithstanding any other provision of law, the analyses or procedures required under the regulations issued by the Secretary under the Federal Plant Pest Act and continued in effect in accordance with section 438(c) shall be the only analyses or procedures required or authorized by law with respect to reviewing and taking action on an application for a permit submitted under subsection (a).

"(d) ENVIRONMENTAL ANALYSIS APPLICABLE TO CERTAIN PERMITS.—Notwithstanding any other provision of law, in reviewing an application for a permit submitted under subsection (a) that is not excluded from environmental review under regulations issued by the Secretary in effect on the date of the enactment of this

subsection (or any successor regulations), the Secretary shall conduct an environmental analysis described in section 411A(b)(1)(B). Such analysis shall be the only environmental analysis or procedure required or authorized by law with respect to reviewing and taking action on such an application.".

(c) TRANSITIONAL PROVISIONS.—

(1) COMPLETENESS.—

(A) COMPLETENESS OF PETITIONS.—Notwithstanding any other provision of law, including section 411A of the Plant Protection Act (as added by subsection (a)), if the Secretary of Agriculture determined that a petition submitted before the date of the enactment of this section under section 340.6 of title 7, Code of Federal Regulations, for a determination that an organism is not a plant pest was complete before such date, the Secretary shall consider such petition to be complete and maintain the status such petition had in the process for the review of such petition on such date under section 340.6 of title 7, Code of Federal Regulations.

(B) COMPLETENESS OF APPLICATIONS FOR PERMITS.—Notwithstanding any other provision of law, including subsection (c) of section 411 of the Plant Protection Act (7 U.S.C. 7711) (as amended by subsection (b)), if the Secretary of Agriculture determined that an application for a permit submitted under subsection (a) of such section (7 U.S.C. 7711) before the date of the enactment of this section was complete before such date, the Secretary shall consider such application to be complete and maintain the status such application had in the process for the review of such application on such date under subsection (a) of such section.

(2) USE OF ENVIRONMENTAL ANALYSIS.—

(A) USE OF ENVIRONMENTAL ANALYSIS FOR PETITIONS.—Notwithstanding any other provision of law, the Secretary of Agriculture shall use any environmental analysis conducted for purposes of a petition submitted under section 340.6 of title 7, Code of Federal Regulations, before the date of the enactment of this section with respect to an organism to the greatest extent possible to complete the environmental analysis conducted under section 411A of the Plant Protection Act (as added by subsection (a)) for purposes of a petition submitted under subsection (a) of such section with respect to such organism.

(B) USE OF ENVIRONMENTAL ANALYSIS FOR APPLICATIONS FOR PERMITS.—Notwithstanding any other provision of law, the Secretary of Agriculture shall use any environmental analysis conducted for purposes of an application for a permit submitted under subsection (a) of section 411 of the Plant Protection Act (7 U.S.C. 7711) before the date of the enactment of this section with respect to such organism to the greatest extent possible to complete the environmental analysis conducted under subsection (d) of such section (as amended by subsection (b)) with respect to such organism.

(3) SPECIAL CONSIDERATION FOR REVIEW OF CERTAIN PETITIONS.—

(A) PENDING PETITIONS WITHOUT A COMPLETED PLANT PEST RISK ASSESSMENT.—Notwithstanding section 411A(b)(3) of the Plant Protection Act (as added by subsection (a)), the Secretary of Agriculture shall determine the length of the period for the review of petitions submitted under section 340.6 of title 7, Code of Federal Regulations, before the date of the enactment of this section for which a plant pest risk assessment has not been completed on or before such date of enactment.

(B) PENDING PETITIONS WITH A COMPLETED PLANT PEST RISK ASSESSMENT.—

(i) DEEMING OF CERTAIN PETITIONS.—Notwithstanding any other provision of law, with respect to each covered petition, if the Secretary finds that there is no reason to believe that the organism that is the subject of such covered petition is a plant pest and the Secretary does not grant or deny such covered petition not later than 90 days after the date of the enactment of this section, such organism shall be deemed not to be a plant pest for purposes of the Plant Protection Act (7 U.S.C. 7701 et seq.).

(ii) COVERED PETITION DEFINED.—In this subparagraph, the term "covered petition" means a petition submitted before the date of the enactment of this section under section 340.6 of title 7, Code of Federal Regulations, for a determination that an organism is not a plant pest for which a plant pest risk assessment and an environmental assessment have been published and a notice and comment period on each assessment has been completed as of such date of enactment.

(4) REGULATIONS.—Not later than 180 days after the date of the enactment of this section, the Secretary of Agriculture shall issue such regulations as the

Secretary considers necessary to carry out the amendments made by this section.

SEC. 10013. CONSOLIDATION OF PLANT PEST AND DISEASE MANAGEMENT AND DISASTER PREVENTION PROGRAMS.

(a) RELOCATION OF LEGISLATIVE LANGUAGE RELATING TO NATIONAL CLEAN PLANT NETWORK.—Section 420 of the Plant Protection Act (7 U.S.C. 7721) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e) NATIONAL CLEAN PLANT NETWORK.—

"(1) IN GENERAL.—The Secretary shall establish a program to be known as the 'National Clean Plant Network' (referred to in this subsection as the 'Program').

"(2) REQUIREMENTS.—Under the Program, the Secretary shall establish a network of clean plant centers for diagnostic and pathogen elimination services—

"(A) to produce clean propagative plant material; and

"(B) to maintain blocks of pathogen-tested plant material in sites located throughout the United States.

"(3) AVAILABILITY OF CLEAN PLANT SOURCE MATERIAL.—Clean plant source material produced or maintained under the Program may be made available to—

"(A) a State for a certified plant program of the State; and

"(B) private nurseries and producers.

"(4) CONSULTATION AND COLLABORATION.—In carrying out the Program, the Secretary shall—

"(A) consult with—

"(i) State departments of agriculture; and

"(ii) land-grant colleges and universities and NLGCA Institutions (as those terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

"(B) to the extent practicable and with input from the appropriate State officials and industry representatives, use existing Federal or State facilities to serve as clean plant centers.".

(b) FUNDING.—Subsection (f) of section 420 of the Plant Protection Act (7 U.S.C. 7721) (as so redesignated) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking "and each fiscal year thereafter." and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) $71,500,000 for fiscal year 2013 and each fiscal year thereafter.".

(c) REPEAL OF EXISTING PROVISION.—Section 10202 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7761) is repealed.

(d) CLARIFICATION OF USE OF FUNDS FOR TECHNICAL ASSISTANCE.—Section 420 of the Plant Protection Act (7 U.S.C. 7721) (as amended by subsection (a)) is amended by adding at the end the following new subsection:

"(g) RELATIONSHIP TO OTHER LAW.—The use of Commodity Credit Corporation funds under this section to provide technical assistance shall not be considered an allotment or fund transfer from the Commodity Credit Corporation for purposes of the limit on expenditures for technical assistance imposed by section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i).".

SEC. 10014. AUTHORITY FOR REGULATION OF PLANTS.

(a) REGULATION OF PLANTS UNDER PLANT PROTECTION ACT.—Subject to subsection (b), any living stage of a plant, including any nucleic acid or other genetic material as contained in such plant, shall be exclusively subject to regulation under statutes under which the Secretary of Agriculture is authorized to issue regulations with respect to plants, including the Plant Protection Act (7 U.S.C. 7701 et seq.).

(b) REGULATION OF CERTAIN PESTICIDAL SUBSTANCES UNDER FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT.—A pesticidal substance contained in a plant shall be subject to regulation as a plant-incorporated protectant (as defined in section 174.3 of title 40, Code of Federal Regulations, or any successor regulation) under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

(c) REQUIREMENTS FOR REGULATION OF CERTAIN PESTICIDAL SUBSTANCES UNDER FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT.—The regulations issued by the Administrator of the Environmental Protection Agency with respect to plant-incorporated protectants under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.), including section 3(c)(1)(C) of such Act (7 U.S.C. 136a(c)(1)(C)), section 3(c)(2)(A) of such Act (7 U.S.C. 136a(c)(2)(A)), section 7 of such Act (7 U.S.C. 136e), section 8 of such Act (7 U.S.C. 136f), section 9 of such Act (7 U.S.C. 136g), and section 17 of such Act (7 U.S.C. 136o), shall—

(1) be based on sound science;

(2) use the least burdensome requirements; and

(3) provide for exemptions from the requirements otherwise applicable to pesticides that are not plant-incorporated protectants.

(d) DEFINITIONS.—In this section:

(1) PLANT.—The term "plant" has the meaning given such term in section 403 of the Plant Protection Act (7 U.S.C. 7702).

(2) PESTICIDAL SUBSTANCE.—The term "pesticidal substance" means a substance or a mixture of substances that—

(A) is contained in any living stage of a plant that—

(i) as of the date of the enactment of this subsection, is subject to part 340 of title 7, Code of Federal Regulations; or

(ii) has been determined not to be a plant pest under section 411A(b)(2) or deemed not to be a plant pest under section 411A(b)(4); and

(B) is intended for preventing, destroying, repelling, or mitigating any pest.

SEC. 10015. REPORT TO CONGRESS ON REGULATION OF BIOTECHNOLOGY.

Not later than one year after the date of the enactment of this section, the Secretary, in consultation with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, shall submit to Congress a report on the measures taken and proposed to be taken by the Secretaries and the Administrator to provide for balanced and appropriate regulatory oversight of agricultural biotechnology products, by—

(1) reducing regulatory burdens on research conducted by academic institutions, small businesses, and public entities in developing lower-cost plant and animal sources of food, feed, fuel, and fiber developed through biotechnology, with special emphasis on minor use crops, orphan crops, and sources of protein;

(2) identifying categories of products developed through biotechnology for which a history of safe use has been established and providing with respect to such products reduced data requirements, expedited review periods, exemptions from regulation, and other measures, as appropriate, based on sound science; and

(3) developing and implementing a cohesive national policy for the low-level presence of agronomic biotechnology material in crops, including grain and other commodity crops, for food, feed, and processing.

SEC. 10016. PESTICIDE REGISTRATION IMPROVEMENT.

(a) MAINTENANCE FEES.—

(1) FEES.—Section 4(i) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)) is amended—

(A) in paragraph (5)—

(i) in subparagraph (C), by striking "aggregate amount of" and all that follows through the end of the subparagraph and inserting "aggregate amount of $27,800,000 for each of fiscal years 2013 through 2017.";

(ii) in subparagraph (D)—

(I) in clause (i), by striking "shall be" and all that follows through the semicolon and inserting "shall be $115,500 for each of fiscal years 2013 through 2017;"; and

(II) in clause (ii), by striking "shall be" and all that follows through the period and inserting "shall be $184,800 for each of fiscal years 2013 through 2017.";

(iii) in subparagraph (E)(i)—

(I) in subclause (I), by striking "shall be" and all that follows through the semicolon and inserting "shall be $70,600 for each of fiscal years 2013 through 2017;"; and

(II) in subclause (II), by striking "shall be" and all that follows through the period and inserting "shall be $122,100 for each of fiscal years 2013 through 2017.";

(iv) by redesignating subparagraphs (F), (G), and (H) as subparagraphs (G), (H), and (I), respectively;

(v) by inserting after subparagraph (E), the following new subparagraph:

"(F) FEE REDUCTION FOR CERTAIN SMALL BUSINESSES.—

"(i) WAIVER.—Except as provided in clause (ii), the Administrator shall waive 25 percent of the fee under this paragraph applicable to the first registration of any qualified small business entity under this paragraph.

"(ii) LIMITATION.—The Administrator shall not grant a waiver under clause (i) to a qualified small business entity if the Administrator determines that the entity has been formed or manipulated primarily for the purpose of qualifying for the waiver.

"(iii) DEFINITION.—For purposes of this subparagraph, the term 'qualified small business entity' means a corporation, partnership, or unincorporated business that—

"(I) has 500 or fewer employees;

"(II) during the 3-year period prior to the most recent maintenance fee billing cycle, had an average annual global gross revenue from all sources that did not exceed $10,000,000; and

"(III) holds not more than 5 pesticide registrations under this paragraph.";

(vi) in subparagraph (G) (as redesignated by clause (iv)), by striking "paragraph (3)" and inserting "this paragraph"; and

(vii) in subparagraph (I) (as so redesignated), by striking "2012" and inserting "2017";

(B) in paragraph (6)—

(i) by striking "2014" and inserting "2019"; and

(ii) by striking "paragraphs (1) through (5)" and inserting "paragraph (5)";

(C) by striking paragraphs (1), (2), (3), (4), and (7); and

(D) by redesignating paragraphs (5) and (6) as paragraphs (1) and (2), respectively.

(2) EXTENSION OF PROHIBITION ON TOLERANCE FEES.—Section 408(m)(3) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(m)(3)) is amended by striking "September 30, 2012" and inserting "September 30, 2017".

(3) REREGISTRATION AND EXPEDITED PROCESSING FUND.—

(A) SOURCE AND USE.—Section 4(k)(2)(A) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(k)(2)(A)) is amended—

(i) by inserting ", to enhance the information systems capabilities to improve the tracking of pesticide registration decisions," after "paragraph (3)" each place it appears; and

(ii) in clause (i)—

(I) by inserting "offset" before "the costs of reregistration"; and

(II) by striking "in the same portion as appropriated funds".

(B) EXPEDITED PROCESSING OF SIMILAR APPLICATIONS.—Section 4(k)(3)(A) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(k)(3)(A)) is amended—

(i) in the matter preceding clause (i), by striking "2008 through 2012, between 1/8 and 1/7" and inserting "2013 through 2017, between 1/9 and 1/8"; and

(ii) in clause (i), by striking "new".

(C) ENHANCEMENTS OF INFORMATION TECHNOLOGY SYSTEMS FOR IMPROVEMENT IN REVIEW OF PESTICIDE APPLICATIONS.—Section 4(k) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(k)) is amended—

(i) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(ii) by inserting after paragraph (3) the following new paragraph:

"(4) ENHANCEMENTS OF INFORMATION TECHNOLOGY SYSTEMS FOR IMPROVEMENT IN REVIEW OF PESTICIDE APPLICATIONS.—

"(A) IN GENERAL.—For each of fiscal years 2013 through 2017, the Administrator shall use not more than $800,000 of the amounts made available to the Administrator in the Reregistration and Expedited Processing Fund for the activities described in subparagraph (B).

"(B) ACTIVITIES.—The Administrator shall use amounts made available from such Fund to improve the information systems capabilities for the Office of Pesticide Programs to enhance tracking of pesticide registration decisions, which shall include—

"(i) the electronic tracking of—

"(I) registration submissions; and

"(II) the status of conditional registrations;

"(ii) enhancing the database for information regarding endangered species assessments for registration review;

"(iii) implementing the capability to electronically review labels submitted with registration actions; and

"(iv) acquiring and implementing the capability to electronically assess and evaluate confidential statements of formula submitted with registration actions."; and

(iii) in the first sentence of paragraph (6) (as redesignated by clause (i)), by striking "to carry out the goals established under subsection (l)" and inserting "for the purposes described in paragraphs (2), (3), and (4) and to carry out the goals established under subsection (l)".

(b) PESTICIDE REGISTRATION SERVICE FEES.—

(1) AMOUNT OF FEES.—Section 33(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(b)) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by striking "Pesticide Registration Improvement Renewal Act" and inserting "Federal Agriculture Reform and Risk Management Act of 2012"; and

(ii) in subparagraph (B), by striking "S10409" and all that follows through the period and inserting "S_____ through S_____, dated _____.";

(B) in paragraph (6)—

(i) in subparagraph (A)—

(I) by striking "October 1, 2008" and inserting "October 1, 2013"; and

(II) by striking "September 30, 2010" and inserting "September 30, 2015"; and

(ii) in subparagraph (B)—

(I) by striking "October 1, 2010" and inserting "October 1, 2015"; and

(II) by striking "September 30, 2010" and inserting "September 30, 2015"; and

(C) in paragraph (8)(C)(ii)—

(i) in subclause (I), by striking "or" at the end;

(ii) in subclause (II), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following new subclause:

"(III) on the basis that the Administrator rejected the application under subsection (f)(4)(B).".

(2) PESTICIDE REGISTRATION FUND.—Section 33(c)(3)(B) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(c)(3)(B)) is amended—

(A) in clause (i), by striking "2008 through 2012" and inserting "2013 through 2017";

(B) in clause (ii), by striking "grants" and all that follows through the end of clause (ii) and inserting "grants, for each of fiscal years 2013 through 2017, $500,000."; and

(C) in clause (iii), by striking "2008 through 2012" and inserting "2013 through 2017".

(3) ASSESSMENT OF FEES.—Section 33(d) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(d)) is amended—

(A) in paragraph (2), by striking "2002" each place it appears and inserting "2012";

(B) by striking paragraph (4); and

(C) by redesignating paragraph (5) as paragraph (4).

(4) REFORMS TO REDUCE DECISION TIME REVIEW PERIODS.—Section 33(e) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(e)) is amended by striking "Pesticide Registration Improvement Act of 2003" and inserting "Federal Agriculture Reform and Risk Management Act of 2012".

(5) DECISION TIME REVIEW PERIODS.—Section 33(f) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(f)) is amended—

(A) in paragraph (1), by striking "Pesticide Registration Improvement Renewal Act" and inserting "Federal Agriculture Reform and Risk Management Act of 2012";

(B) in paragraph (2), by striking "S10409" and all that follows through the period and inserting "S____ through S_____, dated _____."; and

(C) in paragraph (4)—

(i) in subparagraph (A), by inserting "and fee" before the period; and

(ii) in subparagraph (B)—

(I) in the heading, by striking "COMPLETENESS OF APPLICATION" and inserting "INITIAL CONTENT AND PRELIMINARY TECHNICAL SCREENINGS";

(II) in clause (i)—

(aa) by striking "Not later" and inserting the following:

"(I) Not later".

(bb) by adding at the end the following new subclause:

"(II) After conducting the initial content screening described in subclause (I) and in accordance with clause (iv), the Administrator shall conduct a preliminary technical screening—

"(aa) not later than 45 days after the date on which the decision time review period begins (for applications with decision time review periods of not more than 180 days); and

"(bb) not later than 90 days after the date on which the decision time review period begins (for applications with decision time review periods greater than 180 days).";

(III) in clause (ii) by striking "under clause (i)" and all that follows through the period and inserting "at any time before the Administrator completes the preliminary technical screening under clause (i)(II) that the application failed the initial content or preliminary technical screening and the applicant does not correct such failure before the date that is 10 business days after the applicant receives a notification of the failure, the Administrator shall reject the application. The Administrator shall make every effort to provide a written notification of such rejection during the 10-day period that begins on the date the Administrator completes the preliminary technical screening.";

(IV) in clause (iii)—

(aa) in the heading, by inserting "INITIAL CONTENT" before "SCREENING" ;

(bb) in the matter preceding subclause (I), by inserting "content" after "initial"; and

(cc) in subclause (II), by striking "contains" and inserting "appears to contain"; and

(V) by adding at the end the following new clause:

"(iv) REQUIREMENTS OF PRELIMINARY TECHNICAL SCREENING.—In conducting a preliminary technical screening of an application, the Administrator shall determine if—

"(I) the application and the data and information submitted with such application are accurate and complete; and

"(II) the application, data, and information are consistent with the proposed labeling and any proposal for a tolerance or exemption from the requirement for a tolerance under section 408 of the Federal Food, Drug, and Cosmetic Act, and are such that, subject to full review under the standards of this Act, could result in the granting of the application.".

(6) REPORTS.—Section 33(k) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(k)) is amended—

(A) in paragraph (1), by striking "March 1, 2014" and inserting "March 1, 2017"; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (vi), by striking "and" at the end;

(II) in clause (vii), by inserting "and" at the end; and

(III) by adding at the end the following new clause:

"(viii) the number of extensions of decision time review periods agreed to under subsection (f)(5) along with a description of the reason that the Administrator was unable to make a decision within the initial decision time review period;";

(ii) in subparagraph (E), by striking "and" at the end;

(iii) in subparagraph (F), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following new subparagraphs:

"(G) a review of the progress made toward—

"(i) carrying out section 4(k)(4) and the amounts from the Reregistration and Expedited Processing Fund used for the purposes described in such section;

"(ii) implementing systems for the electronic tracking of registration submissions by December 31, 2013;

"(iii) implementing a system for tracking the status of conditional registrations, including making non-confidential information related to such conditional registrations publicly available by December 31, 2013;

"(iv) implementing enhancements to the endangered species knowledge database, including making non-confidential information related to such database publicly available;

"(v) implementing the capability to electronically submit and review labels submitted with registration actions;

"(vi) acquiring and implementing the capability to electronically assess and evaluate confidential statements of formula submitted with registration actions by December 31, 2014; and

"(vii) facilitating public participation in certain registration actions and the registration review process by providing electronic notification to interested parties of additions to the public docket;

"(H) the number of applications rejected by the Administrator under the initial content and preliminary technical screening conducted under subsection (f)(4);

"(I) a review of the progress made in updating the Pesticide Incident Data System, including progress toward making the information contained in such System available to the public (as the Administrator determines is appropriate); and

"(J) an assessment of the public availability of summary pesticide usage data.".

(7) TERMINATION OF EFFECTIVENESS.—Section 33(m) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w–8(m)) is amended—

(A) in paragraph (1), by striking "2012" and inserting "2017"; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the heading, by striking "2013" and inserting "2018";

(II) by striking "2013," and inserting "2018,"; and

(III) by striking "September 30, 2012" and inserting "September 30, 2017";

(ii) in subparagraph (B)—

(I) in the heading by striking "2014" and inserting "2019";

(II) by striking "2014," and inserting "2019,"; and

(III) by striking "September 30, 2012" and inserting "September 30, 2017";

(iii) in subparagraph (C)—

(I) in the heading by striking "2014" and inserting "2019"; and

(II) by striking "September 30, 2014" and inserting "September 30, 2019"; and

(iv) in subparagraph (D), by striking "2012" each place it appears and inserting "2017".

SEC. 10017. MODIFICATION, CANCELLATION, OR SUSPENSION ON BASIS OF A BIOLOGICAL OPINION.

(a) IN GENERAL.—Except in the case of a voluntary request from a pesticide registrant to amend a registration under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a), a registration of a pesticide may be modified, canceled, or suspended on the basis of the implementation of a Biological Opinion issued by the National Marine Fisheries Service or the United States Fish and Wildlife Service prior to the date of completion of the study referred to in subsection (b), or January 1, 2014, whichever is earlier, only if—

(1) the modification, cancellation, or suspension is undertaken pursuant to section 6 of such Act (7 U.S.C. 136d); and

(2) the Biological Opinion complies with the recommendations contained in the study referred to in subsection (b).

(b) NATIONAL ACADEMY OF SCIENCES STUDY.—The study commissioned by the Administrator of the Environmental Protection Agency on March 10, 2011, shall include, at a minimum, each of the following:

(1) A formal, independent, and external peer review, consistent with Office of Management and Budget policies, of each Biological Opinion described in subsection (a).

(2) Assessment of economic impacts of measures or alternatives recommended in each such Biological Opinion.

(3) An examination of the specific scientific and procedural questions and issues pertaining to economic feasibility contained in the June 23, 2011 letter sent to the Administrator (and other Federal officials) by the Chairmen of the Committee on Agriculture, the Committee on Natural Resources, and the Subcommittee on Interior, Environment, and Related Agencies of the Committee on Appropriations, of the House of Representatives.

SEC. 10018. USE AND DISCHARGES OF AUTHORIZED PESTICIDES.

(a) SHORT TITLE.—This section may be cited as the "Reducing Regulatory Burdens Act of 2012".

(b) USE OF AUTHORIZED PESTICIDES.—Section 3(f) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a(f)) is amended by adding at the end the following:

"(5) USE OF AUTHORIZED PESTICIDES.—Except as provided in section 402(s) of the Federal Water Pollution Control Act, the Administrator or a State may not require a permit under such Act for a discharge from a point source into navigable waters of a pesticide authorized for sale, distribution, or use under this Act, or the residue of such a pesticide, resulting from the application of such pesticide.".

(c) DISCHARGES OF PESTICIDES.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by adding at the end the following:

"(s) DISCHARGES OF PESTICIDES.—

"(1) NO PERMIT REQUIREMENT.—Except as provided in paragraph (2), a permit shall not be required by the Administrator or a State under this Act for a discharge from a point source into navigable waters of a pesticide authorized for sale, distribution, or use under the Federal Insecticide, Fungicide, and Rodenticide Act, or the residue of such a pesticide, resulting from the application of such pesticide.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply to the following discharges of a pesticide or pesticide residue:

"(A) A discharge resulting from the application of a pesticide in violation of a provision of the Federal Insecticide, Fungicide, and Rodenticide Act that is relevant to protecting water quality, if—

"(i) the discharge would not have occurred but for the violation; or

"(ii) the amount of pesticide or pesticide residue in the discharge is greater than would have occurred without the violation.

"(B) Stormwater discharges subject to regulation under subsection (p).

"(C) The following discharges subject to regulation under this section:

"(i) Manufacturing or industrial effluent.

"(ii) Treatment works effluent.

"(iii) Discharges incidental to the normal operation of a vessel, including a discharge resulting from ballasting operations or vessel biofouling prevention.".

SEC. 10019. INCLUSION OF BED BUGS IN DEFINITION OF VECTOR ORGANISMS.

(a) DEFINITION.—Section 2(oo) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(oo)) is amended by inserting "bed bugs," after "cockroaches,".

(b) EFFICACY DATA FOR EXEMPTED PESTICIDES.—Section 25(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w(b)) is amended by adding at the end the following new sentences: "Notwithstanding the exemption of a pesticide under this subsection, the Administrator shall require the submission of efficacy data (and evaluate such data) if the pesticide is labeled for or proposed to be labeled for the control of a pest of public health significance. The Administrator shall not permit the sale or distribution of any product that is marketed, distributed, or sold with a claim that such product will control a public health pest if the efficacy data submitted under this subsection does not support such claim.".

SEC. 10020. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title take effect on October 1, 2012.

(b) EXCEPTIONS.—The following provisions of this title shall take effect on the date of the enactment of this Act:

(1) Section 10008.

(2) Section 10009.

(3) Section 10010.

TITLE XI—CROP INSURANCE

SEC. 11001. INFORMATION SHARING.

Section 502(c) of the Federal Crop Insurance Act (7 U.S.C. 1502(c)) is amended by adding at the end the following new paragraph:

"(4) INFORMATION.—

"(A) REQUEST.—Subject to subparagraph (B), the Farm Service Agency shall, in a timely manner, provide to an agent or an approved insurance

provider authorized by the producer any information (including Farm Service Agency Form 578s (or any successor form) or maps (or any corrections to those forms or maps) that may assist the agent or approved insurance provider in insuring the producer under a policy or plan of insurance under this subtitle.

"(B) PRIVACY.—Except as provided in subparagraph (C), an agent or approved insurance provider that receives the information of a producer pursuant to subparagraph (A) shall treat the information in accordance with paragraph (1).

"(C) SHARING.—Nothing in this section prohibits the sharing of the information of a producer pursuant to subparagraph (A) between the agent and the approved insurance provider of the producer.".

SEC. 11002. PUBLICATION OF INFORMATION ON VIOLATIONS OF PROHIBITION ON PREMIUM ADJUSTMENTS.

Section 508(a)(9) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(9)) is amended by adding at the end the following new subparagraph:

"(C) PUBLICATION OF VIOLATIONS.—

"(i) PUBLICATION REQUIRED.—Subject to clause (ii), the Corporation shall publish in a timely manner on the website of the Risk Management Agency information regarding each violation of this paragraph, including any sanctions imposed in response to the violation, in sufficient detail so that the information may serve as effective guidance to approved insurance providers, agents, and producers.

"(ii) PROTECTION OF PRIVACY.—In providing information under clause (i) regarding violations of this paragraph, the Corporation shall redact the identity of the persons and entities committing the violations in order to protect their privacy.".

SEC. 11003. SUPPLEMENTAL COVERAGE OPTION.

(a) AVAILABILITY OF SUPPLEMENTAL COVERAGE OPTION.—Paragraph (3) of section 508(c) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)) is amended to read as follows:

"(3) YIELD AND LOSS BASIS OPTIONS.—A producer shall have the option of purchasing additional coverage based on—

"(A)(i) an individual yield and loss basis; or

"(ii) an area yield and loss basis;

"(B) an individual yield and loss basis, supplemented with coverage based on an area yield and loss basis to cover a part of the deductible under the individual yield and loss policy, as described in paragraph (4)(C); or

"(C) a margin basis alone or in combination with the coverages available in subparagraph (A) or (B).".

(b) LEVEL OF COVERAGE.—Paragraph (4) of section 508(c) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)) is amended to read as follows:

"(4) LEVEL OF COVERAGE.—

"(A) DOLLAR DENOMINATION AND PERCENTAGE OF YIELD.—Except as provided in subparagraph (C), the level of coverage—

"(i) shall be dollar denominated; and

"(ii) may be purchased at any level not to exceed 85 percent of the individual yield or 95 percent of the area yield (as determined by the Corporation).

"(B) INFORMATION.—The Corporation shall provide producers with information on catastrophic risk and additional coverage in terms of dollar coverage (within the allowable limits of coverage provided in this paragraph).

"(C) SUPPLEMENTAL COVERAGE OPTION.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), in the case of the supplemental coverage option described in paragraph (3)(B), the Corporation shall offer producers the opportunity to purchase coverage in combination with a policy or plan of insurance offered under this subtitle that would allow indemnities to be paid to a producer equal to a part of the deductible under the policy or plan of insurance—

"(I) at a county-wide level to the fullest extent practicable; or

"(II) in counties that lack sufficient data, on the basis of such larger geographical area as the Corporation determines to provide sufficient data for purposes of providing the coverage.

"(ii) TRIGGER.—Coverage offered under paragraph (3)(B) and clause (i) shall be triggered only if the losses in the area exceed 10 percent of normal levels (as determined by the Corporation).

"(iii) COVERAGE.—Subject to the trigger described in clause (ii), coverage offered under paragraph (3)(B) and clause (i) shall not exceed the difference between—

"(I) 90 percent; and

"(II) the coverage level selected by the producer for the underlying policy or plan of insurance.

"(iv) INELIGIBLE CROPS AND ACRES.—Crops for which the producer has elected under section 1107(c)(1) of the Federal Agriculture Reform and Risk Management Act of 2012 to receive revenue loss coverage and acres that are enrolled in the stacked income protection plan under section 508B shall not be eligible for supplemental coverage under this subparagraph.

"(v) CALCULATION OF PREMIUM.—Notwithstanding subsection (d), the premium for coverage offered under paragraph (3)(B) and clause (i) shall—

"(I) be sufficient to cover anticipated losses and a reasonable reserve; and

"(II) include an amount for operating and administrative expenses established in accordance with subsection (k)(4)(F).".

(c) PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—Section 508(e)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(2)) is amended by adding at the end the following new subparagraph:

"(H) In the case of the supplemental coverage option authorized in subsection (c)(4)(C), the amount shall be equal to the sum of—

"(i) 70 percent of the additional premium associated with the coverage; and

"(ii) the amount determined under subsection (c)(4)(C)(vi)(II), subject to subsection (k)(4)(F), for the coverage to cover operating and administrative expenses.".

(d) EFFECTIVE DATE.—The Federal Crop Insurance Corporation shall begin to provide additional coverage based on an individual yield and loss basis, supplemented with coverage based on an area yield and loss basis, not later than for the 2013 crop year.

SEC. 11004. PREMIUM AMOUNTS FOR CATASTROPHIC RISK PROTECTION.

Subparagraph (A) of section 508(d)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(2)) is amended to read as follows:

"(A) In the case of catastrophic risk protection, the amount of the premium established by the Corporation for each crop for which catastrophic risk protection is available shall be reduced by the percentage equal to the difference between the average loss ratio for the crop and 100 percent, plus a reasonable reserve.".

SEC. 11005. REPEAL OF PERFORMANCE-BASED DISCOUNT.

(a) REPEAL.—Section 508(d) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(b) CONFORMING AMENDMENT.—Section 508(a)(9)(B) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(9)(B)) is amended—

(1) by inserting "or" at the end of clause (i);

(2) by striking clause (ii); and

(3) by redesignating clause (iii) as clause (ii).

SEC. 11006. PERMANENT ENTERPRISE UNIT SUBSIDY.

Subparagraph (A) of section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended to read as follows:

"(A) IN GENERAL.—The Corporation may pay a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2).".

SEC. 11007. ENTERPRISE UNITS FOR IRRIGATED AND NONIRRIGATED CROPS.

Section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended by adding at the end the following new subparagraph:

"(D) NONIRRIGATED CROPS.—Beginning with the 2013 crop year, the Corporation shall make available separate enterprise units for irrigated and nonirrigated acreage of crops in counties.".

SEC. 11008. DATA COLLECTION.

Section 508(g)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(2)) is amended by adding at the end the following new subparagraph:

"(E) SOURCES OF YIELD DATA.—To determine yields under this paragraph, the Corporation—

"(i) shall use county data collected by the Risk Management Agency or the National Agricultural Statistics Service, or both; or

"(ii) if sufficient county data is not available, may use other data considered appropriate by the Secretary.".

SEC. 11009. ADJUSTMENT IN ACTUAL PRODUCTION HISTORY TO ESTABLISH INSURABLE YIELDS.

Section 508(g)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(4)(B)) is amended by striking "60" each place it appears and inserting "70".

SEC. 11010. SUBMISSION AND REVIEW OF POLICIES.

Section 508(h) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(B) by striking "(1) IN GENERAL.—In addition" and inserting the following:

"(1) AUTHORITY TO SUBMIT.—

"(A) IN GENERAL.—In addition"; and

(C) by adding at the end the following new subparagraph:

"(B) REVIEW AND SUBMISSION BY CORPORATION.—The Corporation shall review any policy developed under section 522(c) or any pilot program developed under section 523 and submit the policy or program to the Board under this subsection if the Corporation, at the sole discretion of the Corporation, finds that the policy or program—

"(i) will likely result in a viable and marketable policy consistent with this subsection;

"(ii) would provide crop insurance coverage in a significantly improved form; and

"(iii) adequately protects the interests of producers."; and

(2) in paragraph (3)—

(A) by striking "A policy" and inserting the following:

"(A) IN GENERAL.—A policy"; and

(B) by adding at the end the following new subparagraph:

"(B) SPECIFIED REVIEW AND APPROVAL PRIORITIES.—In reviewing policies and other materials submitted to the Board under this subsection for approval, the Board—

"(i) shall make the development and approval of a revenue policy for peanut producers a priority so that a revenue policy is available to peanut producers in time for the 2013 crop year;

"(ii) shall make the development and approval of a downed rice policy and margin coverage policy for rice producers a priority so that each policy is available to rice producers in time for the 2013 crop year; and

"(iii) may approve a submission that is made pursuant to this subsection that would, beginning with the 2013 crop year, allow producers that purchase policies in accordance with subsection (e)(5)(A) to separate enterprise units by risk rating for acreage of crops in counties.".

SEC. 11011. EQUITABLE RELIEF FOR SPECIALTY CROP POLICIES.

Section 508(k)(8)(E) of the Federal Crop Insurance Act of 1938 (7 U.S.C. 1508(k)(8)(E)) is amended by adding at the end the following new clause:

"(iii) EQUITABLE RELIEF FOR SPECIALTY CROP POLICIES.—

"(I) IN GENERAL.—For each of the 2011 through 2015 reinsurance years, in addition to the total amount of funding for reimbursement of administrative and operating costs that is otherwise required to be made available in each such reinsurance year pursuant to an agreement entered into by the Corporation, the Corporation shall use $41,000,000 to provide additional reimbursement with respect to eligible insurance contracts for any agricultural commodity that is not eligible for a benefit under subtitles A, B or C of title I of the Federal Agriculture Reform and Risk Management Act of 2012.

"(II) TREATMENT.—Additional reimbursements made under this clause shall be included as part of the base level of administrative and operating expense reimbursement to which any limit on compensation to persons involved in the direct sale and service of any

eligible crop insurance contract required under an agreement entered into by the Corporation is applied.

"(III) RULE OF CONSTRUCTION.—Nothing in this clause shall be construed as statutory assent to the limit described in subclause (II).".

SEC. 11012. BUDGET LIMITATIONS ON RENEGOTIATION OF THE STANDARD REINSURANCE AGREEMENT.

Section 508(k)(8) of the Federal Crop Insurance Act of 1938 (7 U.S.C. 1508(k)(8)) is amended by adding at the end the following new subparagraph:

"(F) BUDGET.—

"(i) IN GENERAL.—The Board shall ensure that any Standard Reinsurance Agreement negotiated under subparagraph (A)(ii), as compared to the previous Standard Reinsurance Agreement—

"(I) to the maximum extent practicable, shall be budget neutral; and

"(II) in no event, may significantly depart from budget neutrality.

"(ii) USE OF SAVINGS.—To the extent that any budget savings is realized in the renegotiation of a Standard Reinsurance Agreement under subparagraph (A)(ii), and the savings are determined not to be a significant departure from budget neutrality under clause (i), the savings shall be used to increase the obligations of the Corporation under subsections (e)(2) or (k)(4) or section 523.".

SEC. 11013. CROP PRODUCTION ON NATIVE SOD.

(a) FEDERAL CROP INSURANCE.—Section 508(o) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)) is amended—

(1) in paragraph (1)(B), by inserting ", or the producer cannot substantiate that the ground has ever been tilled," after "tilled";

(2) in paragraph (2)—

(A) in the paragraph heading, by striking "INELIGIBILITY FOR" and inserting "REDUCTION IN"; and

(B) in subparagraph (A), by striking "for benefits under—" and all that follows through the period at the end and inserting "for—

"(i) a portion of crop insurance premium subsidies under this subtitle in accordance with paragraph (3);

"(ii) benefits under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

"(iii) payments described in subsection (b) or (c) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).."; and

(3) by striking paragraph (3) and inserting the following new paragraphs:

"(3) ADMINISTRATION.—

"(A) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in paragraph (2)—

"(i) paragraph (2) shall apply to 65 percent of the transitional yield of the producer; and

"(ii) the crop insurance premium subsidy provided for the producer under this subtitle shall be 50 percentage points less than the premium subsidy that would otherwise apply.

"(B) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this subsection, a producer may not substitute yields for the native sod acreage.

"(4) APPLICATION.—This subsection shall only apply to native sod in the Prairie Pothole National Priority Area.".

(b) NONINSURED CROP DISASTER ASSISTANCE.—Section 196(a)(4) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(4)) is amended—

(1) in the paragraph heading, by striking "INELIGIBILITY" and inserting "BENEFIT REDUCTION";

(2) in subparagraph (A)(ii), by inserting ", or the producer cannot substantiate that the ground has ever been tilled," after "tilled";

(3) in subparagraph (B)—

(A) in the subparagraph heading, by striking "INELIGIBILITY" and inserting "REDUCTION IN"; and

(B) in clause (i), by striking "for benefits under—" and all that follows through the period at the end and inserting "for—

"(I) benefits under this section;

"(II) a portion of crop insurance premium subsidies under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) in accordance with subparagraph (C); and

"(III) payments described in subsection (b) or (c) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).";; and

(4) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) ADMINISTRATION.—

"(i) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in subparagraph (B)—

"(I) subparagraph (B) shall apply to 65 percent of the transitional yield of the producer; and

"(II) the crop insurance premium subsidy provided for the producer under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall be 50 percentage points less than the premium subsidy that would otherwise apply.

"(ii) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this paragraph, a producer may not substitute yields for the native sod acreage.

"(D) APPLICATION.—This paragraph shall only apply to native sod in the Prairie Pothole National Priority Area.".

(c) CROPLAND REPORT.—

(1) BASELINE.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the cropland acreage in each applicable county and State, and the change in cropland acreage from the preceding year in each applicable county and State, beginning with calendar year 2000 and including that information for the most recent year for which that information is available.

(2) ANNUAL UPDATES.—Not later than January 1, 2014, and each January 1 thereafter through January 1, 2017, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

(A) the cropland acreage in each applicable county and State as of the date of submission of the report; and

(B) the change in cropland acreage from the preceding year in each applicable county and State.

SEC. 11014. COVERAGE LEVELS BY PRACTICE.

Section 508 of the Federal Crop Insurance Act of 1938 (7 U.S.C. 1508) is amended by adding at the end the following new subsection:

"(p) COVERAGE LEVELS BY PRACTICE.—Beginning with the 2014 crop year, a producer that produces an agricultural commodity on both dry land and irrigated land may elect a different coverage level for each production practice.".

SEC. 11015. BEGINNING FARMER AND RANCHER PROVISIONS.

(a) DEFINITION.—Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

(1) by redesignating paragraphs (3) through (9) as paragraphs (4) through (10), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) BEGINNING FARMER OR RANCHER.—The term 'beginning farmer or rancher' means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 5 crop years, as determined by the Secretary.".

(b) PREMIUM ADJUSTMENTS.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) in subsection (b)(5)(E), by inserting "and beginning farmers or ranchers" after "limited resource farmers";

(2) in subsection (e), by adding at the end the following new paragraph:

"(8) PREMIUM FOR BEGINNING FARMERS OR RANCHERS.—Notwithstanding any other provision of this subsection regarding payment of a portion of premiums, a beginning farmer or rancher shall receive premium assistance that is 10 percentage points greater than premium assistance that would otherwise be available under paragraphs (2) (except for subparagraph (A) of that paragraph), (5), (6), and (7) for the applicable policy, plan of insurance, and coverage level selected by the beginning farmer or rancher."; and

(3) in subsection (g)—

(A) in paragraph (2)(B)—

(i) in clause (i), by striking "or" at the end;

(ii) in clause (ii)(III), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following:

"(iii) if the producer is a beginning farmer or rancher who was previously involved in a farming or ranching operation, including involvement in the decisionmaking or physical involvement in the production of the crop or livestock on the farm, for any acreage obtained by the beginning farmer or rancher, a yield that is the higher of—

"(I) the actual production history of the previous producer of the crop or livestock on the acreage determined under subparagraph (A); or

"(II) a yield of the producer, as determined in clause (i).."; and

(B) in paragraph (4)(B)(ii) (as amended by section 11009)—

(i) by inserting "(I)" after "(ii)";

(ii) by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following:

"(II) in the case of beginning farmers or ranchers, replace each excluded yield with a yield equal to 80 percent of the applicable transitional yield.".

SEC. 11016. STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.

(a) AVAILABILITY OF STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.—The Federal Crop Insurance Act is amended by inserting after section 508A (7 U.S.C. 1508a) the following new section:

"SEC. 508B. STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.

"(a) AVAILABILITY.—Beginning not later than the 2013 crop of upland cotton, the Corporation shall make available to producers of upland cotton an additional policy (to be known as the 'Stacked Income Protection Plan'), which shall provide coverage consistent with the Group Risk Income Protection Plan (and the associated Harvest Revenue Option Endorsement) offered by the Corporation for the 2011 crop year.

"(b) REQUIRED TERMS.—The Corporation may modify the Stacked Income Protection Plan on a program-wide basis, except that the Stacked Income Protection Plan shall comply with the following requirements:

"(1) Provide coverage for revenue loss of not less than 10 percent and not more than 30 percent of expected county revenue, specified in increments of 5 percent. The deductible is the minimum percent of revenue loss at which indemnities are triggered under the plan, not to be less than 10 percent of the expected county revenue.

"(2) Be offered to producers of upland cotton in all counties with upland cotton production—

"(A) at a county-wide level to the fullest extent practicable; or

"(B) in counties that lack sufficient data, on the basis of such larger geographical area as the Corporation determines to provide sufficient data for purposes of providing the coverage.

"(3) Be purchased in addition to any other individual or area coverage in effect on the producer's acreage or as a stand-alone policy, except that if a producer has an individual or area coverage for the same acreage, the maximum coverage available under the Stacked Income Protection Plan shall not exceed the deductible for the individual or area coverage.

"(4) Establish coverage based on—

"(A) an expected price that is the higher of—

"(i) the expected price established under existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year; or

"(ii) $0.6861 per pound; and

"(B) an expected county yield that is the higher of—

"(i) the expected county yield established for the existing area-wide plans offered by the Corporation for the applicable county (or area) and crop year (or, in geographic areas where area-wide plans are not offered, an expected yield determined in a manner consistent with those of area-wide plans); or

"(ii) the average of the applicable yield data for the county (or area) for the most recent 5 years, excluding the highest and lowest observations, from the Risk Management Agency or the National Agricultural Statistics Service (or both) or, if sufficient county data is not available, such other data considered appropriate by the Secretary.

"(5) Use a multiplier factor to establish maximum protection per acre (referred to as a 'protection factor') of not less than the higher of the level established on a program wide basis or 120 percent.

"(6) Pay an indemnity based on the amount that the expected county revenue exceeds the actual county revenue, as applied to the individual coverage of the producer. Indemnities under the Stacked Income Protection Plan shall not include or overlap the amount of the deductible selected under paragraph (1).

"(7) In all counties for which data are available, establish separate coverage levels for irrigated and non-irrigated practices.

"(c) REINSURANCE.—When the $0.6861 reference price is equal to or greater than the expected price established under the existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year or the yield established under subsection (b)(4)(B) is used to establish the expected county yield, the Corporation shall reinsure at 100 percent that portion of the indemnity that is attributable to the difference between—

"(1) the $0.6861 reference price and the expected price established under the existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year; and

"(2) the yield established under subsection (b)(4)(B).

"(d) PREMIUM.—Notwithstanding section 508(d), the premium for the Stacked Income Protection Plan shall—

"(1) be sufficient to cover anticipated losses and a reasonable reserve; and

"(2) include an amount for operating and administrative expenses established in accordance with section 508(k)(4)(F).

"(e) PAYMENT OF PORTION BY CORPORATION.—Subject to section 508(e)(4), the amount of premium paid by the Corporation for all qualifying coverage levels of the Stacked Income Protection Plan shall be—

"(1) 80 percent of the amount of the premium established under subsection (d) for the coverage level selected; and

"(2) the amount determined under subsection (d)(2), subject to section 508(k)(4)(F), for the coverage to cover administrative and operating expenses.

"(f) RELATION TO OTHER COVERAGES.—The Stacked Income Protection Plan is in addition to all other coverages available to producers of upland cotton.".

(b) CONFORMING AMENDMENT.—Section 508(k)(4)(F) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)(F)) is amended by inserting "or authorized under subsection (c)(4)(C) or section 508B" after "of this subparagraph".

SEC. 11017. PEANUT REVENUE CROP INSURANCE.

The Federal Crop Insurance Act is amended by inserting after section 508B, as added by the previous section, the following new section:

"SEC. 508C. PEANUT REVENUE CROP INSURANCE.

"(a) IN GENERAL.—Effective beginning with the 2013 crop year, the Risk Management Agency and the Corporation shall make available to producers of peanuts a revenue crop insurance program for peanuts.

"(b) EFFECTIVE PRICE.—Subject to subsection (c), for purposes of the revenue crop insurance program and the multiperil crop insurance program under this Act, the effective price for peanuts shall be equal to the Rotterdam price index for peanuts, as adjusted to reflect the farmer stock price of peanuts in the United States.

"(c) ADJUSTMENTS.—

"(1) IN GENERAL.—The effective price for peanuts established under subsection (b) may be adjusted by the Risk Management Agency and the Corporation to correct distortions.

"(2) ADMINISTRATION.—If an adjustment is made under paragraph (1), the Risk Management Agency and the Corporation shall—

"(A) make the adjustment in an open and transparent manner; and

"(B) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the reasons for the adjustment.".

SEC. 11018. AUTHORITY TO CORRECT ERRORS.

Section 515(c) of the Federal Crop Insurance Act (7 U.S.C. 1515(c)) is amended—

(1) in the first sentence, by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary";

(2) in the second sentence, by striking "Beginning with" and inserting the following:

"(2) FREQUENCY.—Beginning with"; and

(3) by adding at the end the following new paragraph:

"(3) CORRECTIONS.—

"(A) IN GENERAL.—In addition to the corrections permitted by the Corporation as of the date of enactment of the Federal Agriculture Reform and

Risk Management Act of 2012, the Corporation shall allow an agent or an approved insurance provider, subject to subparagraph (B)—

"(i) within a reasonable amount of time following the applicable sales closing date, to correct unintentional errors in information that is provided by a producer for the purpose of obtaining coverage under any policy or plan of insurance made available under this subtitle to ensure that the eligibility information is correct;

"(ii) within a reasonable amount of time following—

"(I) the acreage reporting date, to correct unintentional errors in factual information that is provided by a producer after the sales closing date to reconcile the information with the information reported by the producer to the Farm Service Agency; or

"(II) the date of any subsequent correction of data by the Farm Service Agency made as a result of the verification of information; and

"(iii) at any time, to correct unintentional errors that were made by the Farm Service Agency or an agent or approved insurance provider in transmitting the information provided by the producer to the approved insurance provider or the Corporation.

"(B) LIMITATION.—In accordance with the procedures of the Corporation, correction to the information described in clauses (i) and (ii) of subparagraph (A) may only be made if the corrections do not allow the producer—

"(i) to avoid ineligibility requirements for insurance;

"(ii) to obtain, enhance, or increase an insurance guarantee or indemnity, or avoid premium owed, if a cause of loss exists or has occurred before any correction has been made; or

"(iii) to avoid an obligation or requirement under any Federal or State law.

"(C) EXCEPTION TO LATE FILING SANCTIONS.—Any corrections made pursuant to this paragraph shall not be subject to any late filing sanctions authorized in the reinsurance agreement with the Corporation.".

SEC. 11019. IMPLEMENTATION.

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

(1) in subsection (j), by striking paragraph (1) and inserting the following new paragraph:

"(1) SYSTEMS MAINTENANCE AND UPGRADES.—

"(A) IN GENERAL.—The Secretary shall maintain and upgrade the information management systems of the Corporation used in the administration and enforcement of this subtitle.

"(B) REQUIREMENT.—

"(i) IN GENERAL.—In maintaining and upgrading the systems, the Secretary shall ensure that new hardware and software are compatible with the hardware and software used by other agencies of the Department to maximize data sharing and promote the purposes of this section.

"(ii) ACREAGE REPORT STREAMLINING INITIATIVE PROJECT.—As soon as practicable, the Secretary shall develop and implement an acreage report streamlining initiative project to allow producers to report acreage and other information directly to the Department."; and

(2) in subsection (k), by striking paragraph (1) and inserting the following new paragraph:

"(1) INFORMATION TECHNOLOGY.—

"(A) IN GENERAL.—For purposes of subsection (j)(1), the Corporation may use, from amounts made available from the insurance fund established under section 516(c), not more than—

"(i)(I) for fiscal year 2013, $25,000,000; and

"(II) for each of fiscal years 2014 through 2017, $10,000,000; or

"(ii) if the Acreage Crop Reporting Streamlining Initiative (ACRSI) project is substantially completed by September 30, 2014, not more than $15,000,000 for each of the fiscal years 2014 through 2017.

"(B) NOTIFICATION.—The Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the substantial completion of the Acreage Crop Reporting Streamlining Initiative (ACRSI) project not later than July 1, 2014.".

SEC. 11020. RESEARCH AND DEVELOPMENT PRIORITIES.

Section 522(c)(6) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(6)) is amended by striking "a pasture, range, and forage program" and inserting "policies that

increase participation by producers of underserved agricultural commodities, including sweet sorghum, biomass sorghum, rice, peanuts, and sugarcane".

SEC. 11021. ADDITIONAL RESEARCH AND DEVELOPMENT CONTRACTING REQUIREMENTS.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

(1) in paragraph (10)—

(A) in subparagraph (A), by striking "the Food, Conservation, and Energy Act of 2008" and inserting "the Federal Agriculture Reform and Risk Management Act of 2012";

(B) in subparagraph (B)(iii), by striking "2009" and inserting "2013"; and

(C) in subparagraph (C)—

(i) in clause (ii), by striking "2010" and inserting "2013"; and

(ii) in clause (iii), by striking "Food, Conservation, and Energy Act of 2008" and inserting "the Federal Agriculture Reform and Risk Management Act of 2012";

(2) by redesignating paragraph (17) as paragraph (24); and

(3) by inserting after paragraph (16), the following new paragraphs:

"(17) MARGIN COVERAGE FOR CATFISH.—

"(A) IN GENERAL.—The Corporation shall offer to enter into a contract with a qualified entity to conduct research and development regarding a policy to insure producers against reduction in the margin between the market value of catfish and selected costs incurred in the production of catfish.

"(B) ELIGIBILITY.—Eligibility for the policy described in subparagraph (A) shall be limited to freshwater species of catfish that are propagated and reared in controlled or selected environments.

"(C) IMPLEMENTATION.—The Board shall review the policy described in subparagraph (B) under subsection 508(h) and approve the policy if the Board finds that the policy—

"(i) will likely result in a viable and marketable policy consistent with this subsection;

"(ii) would provide crop insurance coverage in a significantly improved form;

"(iii) adequately protects the interests of producers; and

"(iv) the proposed policy meets other requirements of this subtitle determined appropriate by the Board.

"(18) BIOMASS AND SWEET SORGHUM ENERGY CROP INSURANCE POLICIES.—

"(A) AUTHORITY.—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding—

"(i) a policy to insure biomass sorghum that is grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products; and

"(ii) a policy to insure sweet sorghum that is grown for a purpose described in clause (i).

"(B) RESEARCH AND DEVELOPMENT.—Research and development with respect to each of the policies required in subparagraph (A) shall evaluate the effectiveness of risk management tools for the production of biomass sorghum or sweet sorghum, including policies and plans of insurance that—

"(i) are based on market prices and yields;

"(ii) to the extent that insufficient data exist to develop a policy based on market prices and yields, evaluate the policies and plans of insurance based on the use of weather indices, including excessive or inadequate rainfall, to protect the interest of crop producers; and

"(iii) provide protection for production or revenue losses, or both.

"(19) STUDY ON SWINE CATASTROPHIC DISEASE PROGRAM.—

"(A) IN GENERAL.—The Corporation shall contract with a qualified person to conduct a study to determine the feasibility of insuring swine producers for a catastrophic event.

"(B) REPORT.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

"(20) WHOLE FARM DIVERSIFIED RISK MANAGEMENT INSURANCE PLAN.—

"(A) IN GENERAL.—The Corporation shall conduct activities or enter into contracts to carry out research and development to develop a whole farm risk management insurance plan, with a liability limitation of $1,000,000, that allows a diversified crop or livestock producer the option to qualify for

an indemnity if actual gross farm revenue is below 85 percent of the average gross farm revenue or the expected gross farm revenue that can reasonably be expected of the producer, as determined by the Corporation.

"(B) ELIGIBLE PRODUCERS.—The Corporation shall permit producers (including direct-to-consumer marketers and producers servicing local and regional and farm identity-preserved markets) who produce multiple agricultural commodities, including specialty crops, industrial crops, livestock, and aquaculture products, to participate in the plan in lieu of any other plan under this subtitle.

"(C) DIVERSIFICATION.—The Corporation may provide diversification-based additional coverage payment rates, premium discounts, or other enhanced benefits in recognition of the risk management benefits of crop and livestock diversification strategies for producers that grow multiple crops or that may have income from the production of livestock that uses a crop grown on the farm.

"(D) MARKET READINESS.—The Corporation may include coverage for the value of any packing, packaging, or any other similar on-farm activity the Corporation determines to be the minimum required in order to remove the commodity from the field.

"(E) REPORT.—Not later than 2 years after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results and feasibility of the research and development conducted under this paragraph, including an analysis of potential adverse market distortions.

"(21) STUDY OF FOOD SAFETY INSURANCE.—

"(A) IN GENERAL.—The Corporation shall offer to enter into a contract with 1 or more qualified entities to conduct a study to determine whether offering policies that provide coverage for specialty crops from food safety and contamination issues would benefit agricultural producers.

"(B) SUBJECT.—The study described in subparagraph (A) shall evaluate policies and plans of insurance coverage that provide protection for production or revenue impacted by food safety concerns including, at a minimum, government, retail, or national consumer group announcements of a health advisory, removal, or recall related to a contamination concern.

"(C) REPORT.—Not later than 1 year after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

"(22) STUDY ON POULTRY CATASTROPHIC DISEASE PROGRAM.—

"(A) IN GENERAL.—The Corporation shall contract with a qualified person to conduct a study to determine the feasibility of insuring poultry producers for a catastrophic event.

"(B) REPORT.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

"(23) POULTRY BUSINESS INTERRUPTION INSURANCE POLICY.—

"(A) AUTHORITY.—The Corporation shall offer to enter into a contract or cooperative agreement with a university or other legal entity to carry out research and development regarding a policy to insure the commercial production of poultry against business interruptions caused by integrator bankruptcy.

"(B) RESEARCH AND DEVELOPMENT.—As part of the research and development conducted pursuant to a contract or cooperative agreement entered into under subparagraph (A), the entity shall—

"(i) evaluate the market place for business interruption insurance that is available to poultry growers;

"(ii) determine what statutory authority would be necessary to implement a business interruption insurance through the Corporation;

"(iii) assess the feasibility of a policy or plan of insurance offered under this subtitle to insure against losses due to the bankruptcy of an business integrator; and

"(iv) analyze the costs to the Federal Government of a Federal business interruption insurance program for poultry growers.

"(C) DEFINITIONS.—In this paragraph, the terms 'poultry' and 'poultry grower' have the meanings given those terms in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(a)).

"(D) DEADLINE FOR CONTRACT OR COOPERATIVE AGREEMENT.—Not later than six months after the date of the enactment of this paragraph, the Corporation shall enter into the contract or cooperative agreement required by subparagraph (A).

"(E) DEADLINE FOR COMPLETION OF RESEARCH AND DEVELOPMENT.—Not later than one year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the research and development conducted pursuant to the contract or cooperative agreement entered into under subparagraph (A).".

SEC. 11022. PILOT PROGRAMS.

Section 523(a) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)) is amended—

(1) in paragraph (1), by inserting ", at the sole discretion of the Corporation," after "may"; and

(2) by striking paragraph (5).

SEC. 11023. LIMITATION ON EXPENDITURES FOR LIVESTOCK PILOT PROGRAMS.

Section 523(b)(10) of the Federal Crop Insurance Act (7 U.S.C. 1523(b)(10)) is amended—

(1) in subparagraph (C), by striking "fiscal year 2004 and each subsequent fiscal year" and inserting "each of fiscal years 2004 through 2012"; and

(2) by adding at the end the following new subparagraph:

"(D) $50,000,000 for fiscal year 2013 and each subsequent fiscal year.".

SEC. 11024. NONINSURED CROP ASSISTANCE PROGRAM.

Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333), as amended by section 11013(b)) is further amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) IN GENERAL.—

"(A) COVERAGES.—In the case of an eligible crop described in paragraph (2), the Secretary of Agriculture shall operate a noninsured crop disaster assistance program to provide coverages based on individual yields (other than for value-loss crops) equivalent to—

"(i) catastrophic risk protection available under section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)); or

"(ii) additional coverage available under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) that does not exceed 65 percent.

"(B) ADMINISTRATION.—The Secretary shall carry out this section through the Farm Service Agency (referred to in this section as the 'Agency').."; and

(B) in paragraph (2)(A)—

(i) in clause (i), by striking "and" after the semicolon at the end;

(ii) by redesignating clause (ii) as clause (iii); and

(iii) by inserting after clause (i) the following new clause:

"(ii) for which additional coverage under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) is not available; and";

(2) in subsection (d), by striking "The Secretary" and inserting "Subject to subsection (l), the Secretary"; and

(3) by adding at the end the following new subsection:

"(l) PAYMENT EQUIVALENT TO ADDITIONAL COVERAGE.—

"(1) IN GENERAL.—The Secretary shall make available to a producer eligible for noninsured assistance under this section a payment equivalent to an indemnity for additional coverage under subsections (c) and (h) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) that does not exceed 65 percent of the established yield for the eligible crop on the farm, computed by multiplying—

"(A) the quantity that is not greater than 65 percent of the established yield for the crop, as determined by the Secretary, specified in increments of 5 percent;

"(B) 100 percent of the average market price for the crop, as determined by the Secretary; and

"(C) a payment rate for the type of crop, as determined by the Secretary, that reflects—

"(i) in the case of a crop that is produced with a significant and variable harvesting expense, the decreasing cost incurred in the production cycle for the crop that is, as applicable—

"(I) harvested;

"(II) planted but not harvested; or

"(III) prevented from being planted because of drought, flood, or other natural disaster, as determined by the Secretary; or

"(ii) in the case of a crop that is produced without a significant and variable harvesting expense, such rate as shall be determined by the Secretary.

"(2) PREMIUM.—To be eligible to receive a payment under this subsection, a producer shall pay—

"(A) the service fee required by subsection (k); and

"(B) a premium for the applicable crop year that is equal to the product obtained by multiplying—

"(i) the number of acres devoted to the eligible crop;

"(ii) the established yield for the eligible crop, as determined by the Secretary under subsection (e);

"(iii) the coverage level elected by the producer;

"(iv) the average market price, as determined by the Secretary; and

"(v) .0525.

"(3) LIMITED RESOURCE, BEGINNING, AND SOCIALLY DISADVANTAGED FARMERS.—The additional coverage made available under this subsection shall be available to limited resource, beginning, and socially disadvantaged producers, as determined by the Secretary, in exchange for a premium that is 50 percent of the premium determined for a producer under paragraph (2).

"(4) PREMIUM PAYMENT AND APPLICATION DEADLINE.—

"(A) PREMIUM PAYMENT.—A producer electing additional coverage under this subsection shall pay the premium amount owed for the additional coverage by September 30 of the crop year for which the additional coverage is purchased.

"(B) APPLICATION DEADLINE.—The latest date on which additional coverage under this subsection may be elected shall be the application closing date described in subsection (b)(1).

"(5) EFFECTIVE DATE.—Additional coverage under this subsection shall be available beginning with the 2014 crop.".workhome100now . com

SEC. 11025. TECHNICAL AMENDMENTS.

(a) ELIGIBILITY FOR DEPARTMENT PROGRAMS.—Section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8) through (11) as paragraphs (7) through (10), respectively.

(b) EXCLUSIONS TO ASSISTANCE FOR LOSSES DUE TO DROUGHT CONDITIONS.—

(1) IN GENERAL.—Section 531(d)(3)(A) of the Federal Crop Insurance Act (7 U.S.C. 1531(d)(3)(A)) is amended—

(A) by striking "(A) ELIGIBLE LOSSES.—" and all that follows through "An eligible" in clause (i) and inserting the following:

"(A) ELIGIBLE LOSSES.—An eligible";

(B) by striking clause (ii); and

(C) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively, and indenting appropriately.

(2) CONFORMING AMENDMENT.—Section 901(d)(3)(A) of the Trade Act of 1974 (19 U.S.C. 2497(d)(3)(A)) is amended—

(A) by striking "(A) ELIGIBLE LOSSES.—" and all that follows through "An eligible" in clause (i) and inserting the following:

"(A) ELIGIBLE LOSSES.—An eligible";

(B) by striking clause (ii); and

(C) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively, and indenting appropriately.

TITLE XII—MISCELLANEOUS

Subtitle A—Livestock

SEC. 12101. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.

Section 375(e)(6)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)(C)) is amended by striking "2012" and inserting "2017".

SEC. 12102. TRICHINAE CERTIFICATION PROGRAM.

Section 10405(d)(1) of the Animal Health Protection Act (7 U.S.C. 8304(d)(1)) is amended in subparagraphs (A) and (B) by striking "2012" each place it appears and inserting "2017".

SEC. 12103. NATIONAL AQUATIC ANIMAL HEALTH PLAN.

Section 11013(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8322(d)) is amended by striking "2012" and inserting "2017".

SEC. 12104. REPORT ON COMPLIANCE WITH WORLD TRADE ORGANIZATION DECISION REGARDING COUNTRY OF ORIGIN LABELING.

Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of representatives a report detailing the steps the Secretary will take so that the United States is in compliance with the decision of the World Trade Organization in *United States – Certain Country of Origin Labeling (COOL) Requirements* (DS384, DS386).

SEC. 12105. REPEAL OF CERTAIN REGULATIONS UNDER THE PACKERS AND STOCKYARDS ACT, 1921.

(a) REPEAL OF CERTAIN REGULATION REQUIREMENT.—Section 11006 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2120) is repealed.

(b) REPEAL OF CERTAIN EXISTING REGULATIONS.—The following provisions of title 9, Code of Federal Regulations, are repealed:

(1) Subsections (n) and (o) of section 201.2.

(2) Subsection (a) of section 201.3.

(3) Subsection (a) of section 201.215.

(c) PROHIBITION ON ENFORCEMENT OF CERTAIN REGULATIONS OR ISSUANCE OF SIMILAR REGULATIONS.—Notwithstanding any other provision of law, the Secretary of Agriculture shall not—

(1) enforce the provisions of title 9, Code of Federal Regulations, referred to in subsection (b);

(2) finalize or implement section 201.2(l), 201.2(t), 201.2(u), 201.3(c), 201.210, 201.211, 201.213, and 201.214 of title 9, Code of Federal Regulations, as proposed to be added by the rule entitled "Implementation of Regulations Required Under Title XI of the Food, Conservation and Energy Act of 2008; Conduct in Violation of the Act" (75 Fed. Reg. 35338 (June 22, 2010)); or

(3) issue regulations or adopt a policy similar to the provisions referred to in subsection (b) or in paragraph (2).

SEC. 12106. MEAT AND POULTRY PROCESSING REPORT.

Not later than one year after the date of the enactment of this Act, the Secretary of Agriculture, in consultation with States, processors, and producers, shall submit to Congress a report describing—

(1) additional steps that can be taken to better meet the needs of small and very small meat and poultry producers and processors that are subject to Federal or State inspection; and

(2) methods to create an electronic submission option for the approval of meat labels and to provide improved public access to information on the label approval process.

Subtitle B—Socially Disadvantaged Producers and Limited Resource Producers

SEC. 12201. OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND VETERAN FARMERS AND RANCHERS.

(a) OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND VETERAN FARMERS AND RANCHERS.—Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) in the section heading, by inserting "**AND VETERAN FARMERS AND RANCHERS**" after "**RANCHERS**";

(2) in subsection (a)—

(A) in paragraph (1), by inserting "and veteran farmers or ranchers" after "ranchers";

(B) in paragraph (2)(B)(i), by inserting "and veteran farmers or ranchers" after "ranchers"; and

(C) in paragraph (4)—

(i) in subparagraph (A)—

(I) in clause (i), by striking "and" at the end;

(II) in clause (ii), by striking the period at the end and inserting "; and"; and

(III) by adding at the end the following new clause:

"(iii) $10,000,000 for each of fiscal years 2013 through 2017."; and

(ii) by adding at the end the following new subparagraph:

"(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2013 through 2017.";

(3) in subsection (b)(2), by inserting "or veteran farmers and ranchers" after "socially disadvantaged farmers and ranchers";

(4) in subsection (c)—

(A) in paragraph (1)(A), by inserting "veteran farmers or ranchers and" before "members"; and

(B) in paragraph (2)(A), by inserting "veteran farmers or ranchers and" before "members"; and

(5) in subsection (e)(5)(A)—

(A) in clause (i), by inserting "and veteran farmers or ranchers" after "ranchers"; and

(B) in clause (ii), by inserting "and veteran farmers or ranchers" after "ranchers".

(b) DEFINITION OF VETERAN FARMER OR RANCHER.—Section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)) is amended by adding at the end the following new paragraph:

"(7) VETERAN FARMER OR RANCHER.—The term 'veteran farmer or rancher' means a farmer or rancher who served in the active military, naval, or air service, and who was discharged or released from the service under conditions other than dishonorable.".

SEC. 12202. OFFICE OF ADVOCACY AND OUTREACH.

Paragraph (3) of section 226B(f) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(f)) is amended to read as follows:

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

"(A) such sums as are necessary for each of fiscal years 2009 through 2012; and

"(B) $2,000,000 for each of fiscal years 2013 through 2017.".

Subtitle C—Other Miscellaneous Provisions

SEC. 12301. GRANTS TO IMPROVE SUPPLY, STABILITY, SAFETY, AND TRAINING OF AGRICULTURAL LABOR FORCE.

Subsection (d) of section 14204 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2008q–1) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

"(2) $10,000,000 for each of fiscal years 2013 through 2017.".

SEC. 12302. EVALUATION REQUIRED FOR PURPOSES OF PROHIBITION ON CLOSURE OR RELOCATION OF COUNTY OFFICES FOR THE FARM SERVICE AGENCY.

(a) PROHIBITION ON CLOSURE OR RELOCATION OF OFFICES WITH HIGH WORKLOAD VOLUME.—Section 14212 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 6932a) is amended by striking subsection (a) and inserting the following new subsection:

"(a) PROHIBITION ON CLOSURE OR RELOCATION OF OFFICES WITH HIGH WORKLOAD VOLUME.—The Secretary of Agriculture may not close or relocate a county or field office of the Farm Service Agency in a State if the Secretary determines, after conducting the evaluation required under subsection (b)(1)(B), that the office has a high workload volume compared with other county offices in the State.".

(b) WORKLOAD EVALUATION.—Section 14212(b)(1) of such Act (7 U.S.C. 6932a(b)(1)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and moving the margins of such clauses two ems to the right;

(2) by striking "the Farm Service Agency, to the maximum extent practicable" and inserting "the Farm Service Agency—

"(A) to the maximum extent practicable";

(3) in clause (ii) (as redesignated by paragraph (1))—

(A) by inserting "as of the date of the enactment of this Act" after "employees"; and

(B) by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following new subparagraph:

"(B) conduct and complete an evaluation of all workload assessments for Farm Service Agency county offices that were open and operational as of January 1, 2012, during the period that begins on a date that is not later than 180 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012 and ends on the date that is 18 months after such date of enactment.".

SEC. 12303. PROHIBITION ON ATTENDING AN ANIMAL FIGHT OR CAUSING A MINOR TO ATTEND AN ANIMAL FIGHT.

Section 26(a)(1) of the Animal Welfare Act (7 U.S.C. 2156(a)(1)) is amended by striking the period and inserting "or to knowingly attend or knowingly cause a minor to attend an animal fighting venture.".

SEC. 12304. PROGRAM BENEFIT ELIGIBILITY STATUS FOR PARTICIPANTS IN HIGH PLAINS WATER STUDY.

Section 2901 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1818) is amended by striking "this Act or an amendment made by this Act" and inserting "this Act, an amendment made by this Act, the Federal Agriculture Reform and Risk Management Act of 2012, or an amendment made by the Federal Agriculture Reform and Risk Management Act of 2012".

SEC. 12305. OFFICE OF TRIBAL RELATIONS.

(a) IN GENERAL.—Title III of the Department of Agriculture Reorganization Act of 1994 is amended by adding after section 308 (7 U.S.C. 3125a note; Public Law 103–354) the following new section:

"SEC. 309. OFFICE OF TRIBAL RELATIONS.

"The Secretary shall establish in the Office of the Secretary an Office of Tribal Relations to advise the Secretary on policies related to Indian tribes.".

(b) CONFORMING AMENDMENT.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended by inserting after paragraph (8), as added by section 3207, the following new paragraph:

"(9) the authority of the Secretary to establish in the Office of the Secretary the Office of Tribal Relations in accordance with section 309; and".

SEC. 12306. MILITARY VETERANS AGRICULTURAL LIAISON.

(a) IN GENERAL.—Subtitle A of the Department of Agriculture Reorganization Act of 1994 is amended by inserting after section 218 (7 U.S.C. 6918) the following new section:

"SEC. 219. MILITARY VETERANS AGRICULTURAL LIAISON.

"(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Military Veterans Agricultural Liaison.

"(b) DUTIES.—The Military Veterans Agricultural Liaison shall—

"(1) provide information to returning veterans about, and connect returning veterans with, beginning farmer training and agricultural vocational and rehabilitation programs appropriate to the needs and interests of returning veterans, including assisting veterans in using Federal veterans educational benefits for purposes relating to beginning a farming or ranching career;

"(2) provide information to veterans concerning the availability of and eligibility requirements for participation in agricultural programs, with particular emphasis on beginning farmer and rancher programs;

"(3) serve as a resource for assisting veteran farmers and ranchers, and potential farmers and ranchers, in applying for participation in agricultural programs; and

"(4) advocate on behalf of veterans in interactions with employees of the Department.".

(b) CONFORMING AMENDMENT.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended by inserting after paragraph (9), as added by section 12305, the following new paragraph:

"(10) the authority of the Secretary to establish in the Department the position of Military Veterans Agricultural Liaison in accordance with section 219.".

SEC. 12307. ACER ACCESS AND DEVELOPMENT PROGRAM.

(a) GRANTS AUTHORIZED.—The Secretary of Agriculture may make grants to States, tribal governments, and research institutions to support the efforts of such States, tribal governments, and research institutions to promote the domestic maple syrup industry through the following activities:

(1) Promotion of research and education related to maple syrup production.

(2) Promotion of natural resource sustainability in the maple syrup industry.

(3) Market promotion for maple syrup and maple-sap products.

(4) Encouragement of owners and operators of privately-held land containing species of trees in the genus Acer—

(A) to initiate or expand maple-sugaring activities on the land; or

(B) to voluntarily make the land available, including by lease or other means, for access by the public for maple-sugaring activities.

(b) APPLICATION.—In submitting an application for a grant under this section, a State or tribal government shall include—

(1) a description of the activities to be supported using the grant funds;

(2) a description of the benefits that the State or tribal government intends to achieve as a result of engaging in such activities; and

(3) an estimate of the increase in maple-sugaring activities or maple syrup production that the State or tribal government anticipates will occur as a result of engaging in such activities.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed so as to preempt a State or tribal government law, including a State or tribal government liability law.

(d) DEFINITION OF MAPLE-SUGARING.—In this section, the term "maple-sugaring" means the collection of sap from any species of tree in the genus Acer for the purpose of boiling to produce food.

(e) REGULATIONS.—The Secretary of Agriculture shall promulgate such regulations as are necessary to carry out this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2013 through 2017.

SEC. 12308. PROHIBITION AGAINST INTERFERENCE BY STATE AND LOCAL GOVERNMENTS WITH PRODUCTION OR MANUFACTURE OF ITEMS IN OTHER STATES.

(a) IN GENERAL.—The government of a State or locality therein shall not impose a standard or condition on the production or manufacture of any agricultural product sold or offered for sale in interstate commerce if—

(1) such production or manufacture occurs in another State; and

(2) the standard or condition is in addition to the standards and conditions applicable to such production or manufacture pursuant to—

(A) Federal law; and

(B) the laws of the State and locality in which such production or manufacture occurs.

(b) AGRICULTURAL PRODUCT DEFINED.—In this section, the term "agricultural product" has the meaning given such term in section 207 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1626).

SEC. 12309. INCREASED PROTECTION FOR AGRICULTURAL INTERESTS IN THE MISSOURI RIVER BASIN.

(a) FINDINGS.—Congress finds the following:

(1) Record runoff occurred in the Missouri River basin during 2011 as a result of historic rainfall over portions of the upper basin coupled with heavy plains and mountain snowpack.

(2) Runoff above Sioux City, Iowa, during the 5-month period of March through July totaled an estimated 48,400,000 acre-feet (referred to in this section as "MAF"). This runoff volume was more than 20 percent greater than the

design storm for the Missouri River Mainstem Reservoir System (referred to in this section as "System"), which was based on the 1881 runoff of 40.0 MAF during the same 5-month period.

(3) During the 2011 runoff season, nearly 61,000,000 acre-feet of water entered the Missouri River system, far surpassing the previous record of 49 MAF in runoff that was set during the flood of 1997.

(4) Given the incredible amount of water entering the reservoir system, the summer months were spent working to evacuate as much water from the reservoir system as possible, ultimately leading to record high water releases from Gavins Point Dam of 160,000 cubic feet per second, a rate that more than doubled the previous release record of 70,000 cubic feet per second set in 1997.

(5) For nearly 4 months, these extremely high releases from Gavins Point were maintained, resulting in severe and sustained flooding, with much of western Iowa and eastern Nebraska as well as portions of South Dakota, Kansas, and Missouri inundated by a flooding river 3 to 5 feet deep, up to 11 miles wide, and flowing at a rate of 4 to miles per hour.

(6) Thousands of homes and businesses were damaged or destroyed and hundreds of millions of dollars in damage was done to roads and other public infrastructure.

(7) In addition to the homes, businesses, and infrastructure impacted by the flooding, hundreds of thousands of acres of cropland were affected.

(8) The Department of Agriculture has estimated that 400,000 to 500,000 acres of some of the most productive crop land in the world was flooded in 2011.

(9) Local Farm Services Agency representatives have estimated that $82,100,000 was lost in 2011 alone due to damaged or lost crops and unplanted acres.

(10) Not only did the flooding eliminate the crop, but it is highly unlikely that many farmers will be able to put this land back into production at any point in the near future.

(11) Producers will have to contend with large piles of sand, silt, and other debris that have been deposited in their fields, meaning the impact of this flood will be felt in the agricultural communities up and down the river for many, many years to come.

(12) Currently, the amount of storage capacity in the reservoir system that is set aside for flood control is based upon the vacated space required to control the 1881 flood, because prior to the 2011 flood, the 1881 flood was seen as the "high water mark".

(13) Given the historic flooding that took place in 2011, it is clear that that year's flooding now represents a new "high water mark", surpassing the flooding of even the 1881 flood.

(14) It is important that the flood control related functions of the System management be adjusted to reflect the reality of the 2011 flood as the new "worst case scenario" for flooding along the Missouri River.

(15) System management may begin to be adjusted to account for the 2011 flood through a recalculation of the amount of storage space within the System that is allocated to flood control, using the model not of the 1881 flood, but of the greatest flood experienced—the flood of 2011.

(16) As a result of the flooding in 2011, many States received disaster declarations from the Department of Agriculture to help farmers and producers recover from the damage done by the high water.

(17) Though helpful, even the assistance provided by the Department of Agriculture will not provide many in the agriculture community with the resources to put their land back into production any time soon.

(18) Without the protection that will come from a fundamental change in the reservoir System's flood control storage allocations, farmers, producers, and other agricultural interests who may be in a position to restart their operations will find it difficult to justify doing so, given the fact that they will not be protected from similar flooding in the future.

(19) On behalf of Agribusiness in Hamburg, Iowa, and its neighboring communities, the Secretary of Agriculture should use any authority and all relationships the Secretary has with other Federal agencies to ensure that the area and local agricultural economy are protected from flooding.

(b) UPDATED MANAGEMENT OF THE MISSOURI RIVER TO PROTECT AGRICULTURAL INTERESTS.—In order to strengthen the agricultural economy, revitalize the rural communities, and conserve the natural resources of the Missouri River basin, the Congress directs the Secretary of Agriculture to take action to promote immediate increased flood protection for farmers, producers, and other agricultural interests in the Missouri River basin by working within his jurisdiction to support efforts—

(1) to recalculate the amount of space within the System that is allocated to flood control storage using the 2011 flood as the model; and

(2) to increase the River's channel capacity between the reservoirs and below Gavins Point.

BRIEF EXPLANATION

Title I—Commodities

• Repeals the Direct Payment program beginning with the 2013 crop year.

• Repeals the Average Crop Revenue Election (ACRE) program beginning with the 2013 crop year.

• Repeals the Counter-Cyclical Payment (CCP) program beginning with the 2013 crop year.

• Provides producers with a one-time choice between participating in Price Loss Coverage (PLC) or Revenue Loss Coverage (RLC). The choice is made on a farm-by-farm and crop-by-crop basis. Both options utilize the reference prices given below.

REFERENCE PRICES

Reference price	Units	Current law	H.R. 6083 as amended
Wheat	Bu	4.17	5.50
Rice	Cwt	10.50	14.00
Corn	Bu	2.63	3.70
Oats	Bu	1.79	2.40
Barley [1]	Bu	2.63	4.95
Sorghum	Bu	2.63	3.95
Cotton	Lb	0.7125	n/a
Peanuts	Ton	495	535
Soybeans	Bu	6.00	8.40
Other Oilseeds	Cwt	12.68	20.15
Dry Peas	Cwt	8.32	11.00
Lentils	Cwt	12.81	19.97
Small Chickpeas	Cwt	10.36	19.04
Large Chickpeas	Cwt	12.81	21.54

• USDA is directed to use the all-barley price for making Price Loss Coverage and Revenue Loss Coverage payments for barley.

• Cotton is ineligible for PLC and RLC and instead is offered an area-based crop insurance product to resolve the World Trade Organization (WTO) dispute with Brazil.

• Reauthorizes nonrecourse loans for loan commodities for the 2013 to 2017 crops years at loan rates established in current law. Adjustments are made to the cotton marketing loan rate to resolve the WTO dispute with Brazil.

• Eliminates the separate farm and non-farm adjusted gross income limits. Individuals with a 3-year average adjusted gross income greater than $950,000 are ineligible for commodity and conservation program benefits.

• Individuals and entities may only receive up to a combined total of $125,000 from both PLC and RLC payments.

• Reauthorizes the sugar policy established in current law.

• Reauthorizes the Livestock Indemnity Program, the Livestock Forage Disaster Program, Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish and the Tree Assistance Program.

• Establishes a voluntary risk management safety net for dairy producers; the Dairy Producer Margin Protection and Dairy Market Stabilization Programs.

• Dairy producers have the option to sign up for basic margin protection developed to aid in better risk management practices when milk prices and feed prices converge.

• Producers signing up for the margin protection program would be subject to the Dairy Market Stabilization Program.

• Among the risk management tools authorized for dairy producers is a new program that will provide a basic level of protection for up to 80 percent of production history when margins fall below $4.00 for a consecutive two month period.

• Saves $37 million over 10 years, nearly a 10 percent saving from the current baseline.

• Creates one new program: the voluntary risk management, which is tied to a market stabilization program.

• Reauthorizes 3 programs: (1) Dairy Forward Pricing Program; (2) Dairy Indemnity Program; and (3) Dairy Promotion and Research Program.

• Eliminates 4 programs: (1) Dairy Product Price Support Program; (2) Milk Income Loss Contract Program (MILC); (3) Dairy Export Incentive Program; and (4) Federal Milk Marketing Order Review Commission.

Title II—Conservation

• Provides farmers, ranchers, foresters and landowners with voluntary, incentive-based financial and technical assistance for conservation practices.

• Consolidates 23 programs into 13, while increasing flexibility and program efficiency.

• Amends the Conservation Reserve Program to improve and focus acres on the most environmentally sensitive lands. Enrollment is incrementally scaled back to 25 million acres by 2017. Flexibility for haying and grazing is included, in addition to two million acres reserved for grassland contracts. While transitioning acres, expiring contracts are given priority consideration for working lands and grasslands contracts and Conservation Stewardship Program contracts. The Transition Incentives Program (TIP) will continue.

• The Conservation Stewardship Program allows for producers to adopt new conservation practices while maintaining and protecting existing improvements made on natural resources. Enrollment is 9 million acres per year.

• Reauthorizes and amends the Environmental Quality Incentives Program to include functions of the past Wildlife Habitat Incentives Program (WHIP), providing similar wildlife incentives. Also, EQIP provides cost share incentives to producers to meet or avoid the need for national, state, or local regulation. The Conservation Innovation Grant (CIG) subprogram will continue.

• Reauthorizes the Voluntary Public Access and Habitat Incentive Program.

• Establishes the Regional Conservation Partnership Program (RCPP) by the consolidation of four programs, including all of their major functions in order to leverage program dollars to increase effectiveness. RCPP allows for USDA and outside partners to work

directly with producers to address natural resource concerns. This is a competitive program that USDA will select based on the merit of the targeted regions application. The Secretary may designate Critical Conservation Areas that are under significant regulatory pressure.

• Creates the Agricultural Conservation Easement Program (ACEP) in order to consolidate all easement programs to increase flexibility for the administration. ACEP allows for different lands to be enrolled into working grassland or farmland aspect or the wetland easement portion to enhance water quality and wildlife habitat.

Title III—Trade

• Amends The Food for Peace Act to emphasize building resiliency through development programs.

• Reduces the maximum allowable cash assistance for administrative costs in food aid from 13 percent to 11 percent.

• Directs USDA and USAID to consult on improving food aid quality and to work together to deploy new formulations, and reauthorizes $1 million from the Food for Peace Act for these purposes.

• Updates reporting requirements and extends funding for monitoring and enforcement of programs.

• Amends The Food for Peace Act by reducing the authorization for appropriations from $2.5 billion to $2 billion per year and sets a minimum level of development programming at $400 million per year. Directs USDA and USAID to collect information on the benefits of monetization in local economies.

• Amends The Food for Peace Act by increasing funding for prepositioning from $10 million to $15 million per year. Reauthorizes $8 million for shelf-stable, prepackaged foods, and extends authorization for the micronutrient fortification program.

• Reauthorizes the Market Access Program to provide assistance on a cost-share basis, targeting small businesses, farmer cooperatives, and non-profit trade organizations.

• Extends the Foreign Market Development, Emerging Markets, and the GSM–102 programs through 2017.

• Reauthorizes the John Ogonowski and Doug Bereuter Farmer-to-Farmer program and increases the minimum level of funding from $10 million to $15 million per year to provide technical assistance for agricultural improvements in developing countries.

• Extends the Food for Progress Act through 2017 and repeals an outdated provision related to a project in Malawi.

• Extends Technical Assistance for Specialty Crops (TASC) through 2017 and clarifies that technical barriers to trade can be addressed through the program.

• To assist in the conservation of genetic diversity in food crops through the collection and storage of the germplasm of food crops the Global Crop Diversity Trust is extended through 2017 at a contribution level of $50 million.

• Allows for the establishment of an Under Secretary of Agriculture for Foreign Agricultural Services, appointed by the President with the advice and consent of the Senate, to address trade challenges and export opportunities for agriculture.

Title IV—Nutrition

• Saves $16 billion over 10 years from the Supplemental Nutrition Assistance Program (SNAP).

• Restricts program eligibility to those households receiving cash assistance from other low-income programs.

• Closes a loophole in SNAP related to the Low Income Home Energy Assistance Program (LIHEAP) payments.

• Eliminates state performance bonuses.

• Cracks down on waste, fraud and abuse by ending SNAP benefits for lottery winners, providing more accountability in the SNAP Employment and Training program, and increasing oversight of SNAP programs for the homeless, elderly, and disabled.

• Provides the Secretary with more resources to prevent trafficking of SNAP benefits.

• Requires states to use an immigration status verification system to verify an applicant's immigration status.

• Improves the quality of SNAP-approved retail stores.

• Seeks to eliminate the advertisement and promotion of SNAP.

• Increases assistance for food banks by providing an additional $25 million per year for The Emergency Food Assistance Program (TEFAP).

• Increases support for Community Food Projects and designates funding for projects that provide incentives for low-income individuals to purchase more fruits and vegetables.

• Expands the Fresh Fruit and Vegetable Program to allow participating elementary schools to purchase fresh, frozen, canned and dried produce.

• Establishes pilot programs for the purchase of more locally grown foods for schools.

Title V—Credit

• Amends Farm Ownership Loans by including "other legal entities" to the list of eligible borrowers, and provides clarification to Secretary for individuals meeting the 3-year farming or ranching experience requirement.

• Amends Conservation Loan and Loan Guarantee Program by raising Loan Guarantee amount from 75 to 90 percent.

• Amends Maximum Loan Value for Down Payment Loan Program from 45 percent of $500,000 to 45 percent of $667,000.

• Repeals mineral rights appraisals requirement for real estate loans.

• Amends Personal Liability for Youth Loans, on a case by case basis, to enable youth to obtain student loans and grants for higher education.

• Amends Emergency Loans by adding "or other such legal entities as the Secretary deems appropriate" to the list of approved borrowers.

• Extends the Beginning Farmer and Rancher Individual Development Accounts Pilot Program through 2017.

• Amends Direct Farm Operating Loans to grant FSA authority to provide young, beginning, veteran and urban farmers and ranchers smaller microloans up to $35,000.

• Amends Priority for Joint Financing Participation Loans and Down Payment Loans within Direct Farm Ownership Loans maxi-

mizing number of borrowers served for a given level of appropriations.

• Amends median farm size limitation by replacing "median" with "average" allowing more otherwise qualified applicants to receive beginning farmer ownership loans.

• Extends Secretary's ability to make loans under each subtitle through 2017.

• Extends Loan Fund Set-Asides through 2017.

• Repeals "rural residents" requirement allowing all youth the opportunity to receive a Youth Operating Loan.

• Extends the State Agricultural Mediation Programs through 2017, allowing agriculture and USDA-related disputes to be resolved.

• Amends Loans to Purchasers of Highly Fractionated Land to meet the needs of Indian tribes and tribal members.

Title VI—Rural Development

• Thirteen programs are eliminated and funding levels are reduced by more than $1.5 billion over 5 years, a 50% reduction in authorizations. In addition, $100 million in mandatory money is not reauthorized.

• Requires the Secretary to track the success of investments through grants and loans in order to improve rural development programs. Also requires the Secretary to develop simplified application forms to reduce administrative burdens and to make programs more accessible to small, rural communities.

• Reauthorizes programs to assist rural communities in addressing critical water and wastewater needs through loans and grants for municipal and household wells. Provides opportunities to enhance the public-private partnerships to support Rural Water and Waste Disposal Infrastructure in rural communities.

• Reauthorizes the Business & Industry Loan Guarantee Program with additional changes that allow for small rural lenders to more easily participate in local communities by improving existing credit structure through the guarantee of quality loans that provide community benefits. Funding set aside for locally and regionally produced food is capped at 7% of the program.

• Reauthorizes the Intermediary Relending Program and the Rural Microentrepreneur Assistance Program in order to assist small businesses to start or expand their operations.

• Reauthorizes Value-Added Producer Grants with $50 million in mandatory funding. These grants benefit producers and cooperatives that process agricultural commodities to capture increased margins directly by the agricultural producer.

• Reauthorizes the Broadband Loan Program with additional provisions to increase transparency and to ensure investments focus on areas without broadband service. Emphasis is placed on projects which serve both businesses and homes to maximize the economic impact of entire rural areas.

• Reauthorizes Community Facilities programs to assist communities in developing essential health, safety, and educational assets.

• Reauthorizes the Delta and Great Plains Regional Authorities, and the Rural Business Opportunities Grants Program to assist communities and regions in the planning and execution of economic development activities.

• Amends the Rural Electrification Act to authorize loans and grants to promote energy efficiency. Amends fees for certain loan guarantees.

Title VII—Research, Extension, and Related Matters

• Intramural research programs are reauthorized to be carried out through the Agricultural Research Service, Economic Research Service, National Agricultural Statistics Service and the Forest Service.

• Authority for extramural research grants and formula funds programs administered by the National Institute of Food and Agriculture are extended.

• University research for agricultural activities are reauthorized for 1862, 1890 and 1994 Land Grant Colleges and Universities.

• Competitive grants for Non-Land Grant Colleges of Agriculture (NLGCA) institutions are reauthorized in order to maintain and expand research and outreach in regards to agriculture, renewable resources and production practices.

• The National Agricultural Research, Extension, Education and Economics Advisory Board is reauthorized while enhancing the involvement of other agricultural industry interest in the consultation of agricultural priorities.

• Agriculture and Food Research Initiative continue critical agriculture research by providing competitive grants through integrated research and extension activities.

• Enhances accountability, transparency and consistency of USDA administered research, extension and education funding by mandating that the annual Presidential Budget Submission include sufficient information for the Congress to thoroughly evaluate and approve future spending plans. With regard to extramural competitive grant programs, USDA will be barred from obligating appropriated funds unless a comprehensive spending plan is submitted with the President's budget and approved by Congress.

• The Veterinary Services Grant Program is authorized in order to address the shortage of veterinarians. This requires an entity to develop programs to relieve shortages, support private practices, and support those practices that successfully complete a specific service requirement.

• The Specialty Crop Research Initiative, Organic Research and Extension Initiative, Sustainable Agriculture Research and Extension, and the Beginning Farmer and Rancher Development Program are reauthorized.

Title VIII—Forestry

• The forestry title promotes the health and active management of America's national, state, and private forests.

• Conservation programs such as the Forest Legacy Program and the Community Open Space Program, and Healthy Forest Reserve Programs are reauthorized.

• Contains authority for the Forest Service to accelerate its treatment of national forests affected by pine bark beetle infestation and natural disasters. This authority streamlines the approval process for the Forest Service in selecting afflicted areas that need treatment within our national forests.

• To assist rural economies, the title reauthorizes the Office of International Forestry, which is designed to help facilitate the development of foreign markets for domestically produced wood products and the Rural Revitalization Technologies program in order to provide grants and technical assistance to forested rural communities.

• Promotes forest health by extending the Forest Stewardship Contracting program for an additional four years, allowing the Forest Service to engage in needed restoration work on our national forests.

Title IX—Energy

• Reauthorizes programs that promote the development of advanced biofuels and renewable energy with discretionary funding.

• Creates a tiered application process for farmers and rural businesses applying for smaller grants under the Rural Energy for America Program (REAP).

• Clarifies Congressional intent of REAP by eliminating funding for ethanol blender pumps.

• Prioritizes funding of the Biomass Crop Assistance Program (BCAP) for the establishment of dedicated energy crops by eliminating the collection, harvest, storage, and transportation (CHST) payments.

• Ensures certain domestic forest products with mature markets are eligible under federal procurement guidelines for renewable products under the Biobased Markets Program.

• Provides competitive grants to non-profit entities to provide information and outreach on the benefits of biodiesel fuel use.

• Repeals programs that have outlived their usefulness or have never been fully implemented.

Title X—Horticulture

• Increases funding to $70,000,000 per year for the Specialty Crop Block Grant Program, with funding provided for multi-state projects.

• Provides $20,000,000 per year for the Farmers Market and Local Food Promotion Program to improve and expand direct producer-to-consumer market opportunities including the development of local food system infrastructure.

• Combats pest and disease by consolidating two very effective programs, the Plant Pest and Disease Management and Disaster Prevention Program and the National Clean Plant Network. Increases funding for this combined program to $71,500,000 per year.

• Provides funding for the Organic Production and Market Data Initiatives Program and the National Organic Program as well as enhances investigation and enforcement tools.

• Provides regulatory relief by eliminating a costly and duplicative permitting requirement for pesticide applications.

• Imposes a temporary stay on the EPA from acting on pesticide registrations based on Biological Opinions from the Services not withstanding a peer review.

• Reiterates the authority of the Secretary to regulate products of biotechnology under the Plant Protection Act.

• Reauthorizes the registration process for pesticide manufacturers.

Title XI—Crop Insurance

• Requires the Farm Service Agency (FSA) to provide an authorized agent or an approved insurance provider (AIP) information that may assist in insuring the producer.

• Requires Risk Management Agency (RMA) to publish violations of the prohibition on rebates to serve as guidance to AIPs, agents and producers.

• Establishes a supplemental coverage option (SCO) to provide producers the option of purchasing area coverage by itself or in addition to individual coverage. Producers may also purchase margin coverage and do so in addition to individual and area coverage.

• Continues reduced premiums on enterprise unit policies.

• Requires enterprise units to be made available by practice.

• Requires the use of data collected by the RMA, National Agricultural Statistics Service (NASS), or both, to determine yields. Where sufficient county data is not available, authorizes the Secretary to use data from other sources.

• Adjusts the actual production history used to determine insurable yields.

• Requires the Federal Crop Insurance Corporation (FCIC) to review policies developed under research and development contracting authority, or pilot programs, and submit to the FCIC Board for review policies that will likely result in viable and marketable policies, provide crop insurance in a significantly improved form, and adequately protect the interests of producers.

• Provides equitable relief on specialty crop policies that were disproportionately adversely impacted by the Standard Reinsurance Agreement (SRA) but clarifies that Congress does not provide statutory assent to SRA provisions.

• Requires the FCIC Board to ensure that SRA renegotiations maintain budget neutrality to the maximum extent practicable, and use any savings that may be realized for specific crop insurance purposes.

• Limits availability on crop insurance to protect native sod.

• Allows producers to elect different coverage levels by practice.

• Provides beginning farmers and ranchers with additional premium assistance, enhanced T-yields, and the ability to use previous producer's APH or an assigned yield.

• Requires a stacked income protection plan to be made available to upland cotton producers.

• Requires a revenue crop insurance policy for peanut producers to be made available.

• Authorizes AIPs and agents to correct unintentional errors to ensure accuracy of all insurance information.

• Requires the Secretary to maintain and upgrade information management systems and to implement an acreage report streamlining initiative.

• Provides for research and development contracting priorities. Makes specialty crops, sweet sorghum, biomass sorghum, rice, peanuts and sugarcane a research and development priority.

• Amends the noninsured crop assistance program (NAP) to allow for the purchase of additional NAP coverage with respect to

crops for which no coverage is available under Federal Crop Insurance.

Title XII—Miscellaneous

- Reauthorizes National Sheep Industry Improvement Center.
- Reauthorizes Trichinae Certification Program.
- Reauthorizes National Aquatic Animal Health Plan.
- Authorizes Report on Compliance with World Trade Organization Decision Regarding Country of Origin Labeling.
- Repeals Certain Regulations Under the Packers and Stockyard Act, 1912.
- Requires Meat and Poultry Processing Report on Better Meeting the Needs of Small Meat and Poultry Growers.
- Amends Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers.
- Reauthorizes Office of Advocacy and Outreach.
- Authorizes Grants to Improve Supply, Stability, Safety, and Training of Agricultural Labor Force.
- Requires Evaluation for Purposes of Prohibition on Closure or Relocation of County Offices for the Farm Service Agency.
- Prohibits Attending an Animal Fight or Causing a Minor to Attend and Animal Fight.
- Reauthorizes Program Benefit Eligibility Status for Participants in High Plains Water Study.
- Requires an Office of Tribal Relations.
- Authorizes Military Veterans Agricultural Liaison.
- Authorizes Acer Access and Development Program.
- Prohibits Interference by State and Local Governments with Production or Manufacture of Items in Other States.
- Increases Protection for Agricultural Interests in the Missouri River Basin.

Purpose and Need

The Federal Agriculture Reform and Risk Management Act (FARRM) is the product of nearly three years of deliberations, including 46 House hearings and audits, a joint deficit reduction proposal developed between leaders of the House and Senate Committees on Agriculture, and, ultimately, Committee consideration and passage on an overwhelming and bipartisan basis. As measured by the length of the Committee's consideration and by the depth of its evaluation, having fully examined the purpose and effectiveness of each and every authority under the jurisdiction of the Committee, FARRM is the product of extensive analysis and research.

Once enacted into law, the Congressional Budget Office (CBO) estimates that FARRM will yield taxpayers more than $35 billion in deficit reduction. FARRM proposes to achieve these substantial budget savings through significant reform. FARRM repeals or consolidates more than 100 programs, saves $16 billion from SNAP by curbing abuse, eliminates Direct Payments and reforms commodity policy at a savings of more than $14 billion, saves another $6 billion by consolidating 23 conservation programs into 12, and brings about long overdue regulatory relief for farmers and ranchers. The Committee believes that if all committees of Congress and all functions of government underwent the review, reform, and reductions

that this Committee has imposed upon policies under its jurisdiction, the United States would be well on its way to a smaller government and a balanced budget.

Title I—Commodities

For its share, Title I sustains a 37.5 percent reduction. These savings are accomplished through a complete reform of U.S. farm policy, repealing all of current policy under Title I relative to row crops, except for the marketing loan which is maintained with an adjustment to the cotton loan in order to address a World Trade Organization (WTO) dispute. In lieu of current policy, producers are given a choice between two less expensive risk management options under Title I as well as some additional tools to manage risk that producers may purchase under Federal Crop Insurance.

Upon FARRM's passage, Title I and Federal Crop Insurance will have been cut by more than $30 billion over the past seven years, contributing $24 billion to deficit reduction. This reduction in funding stands in contrast to the rising costs of other functions of the U.S. government. Additionally, foreign subsidies and tariffs are trending sharply upward according to two independent reports issued during the Committee's development of FARRM, which serve as prescient reminders of both the appropriateness of and need for U.S. farm policy.

The resilience and strength of the U.S. farm sector over much of the past decade, its contribution to two economic recoveries and millions of on and off-farm jobs, and its positive contribution to the nation's balance of trade have been acknowledged by both proponents and opponents of U.S. farm policy, but for purposes of advancing very different objectives. Relatively strong crop prices and production experienced over the past ten years have been viewed by opponents as obviating the need for much or even all of farm policy, while proponents have pointed to the current policy's evident success in creating a positive business environment at low cost to the taxpayer—only a small fraction of 1 percent of the federal budget. Ultimately, Mother Nature is weighing in on the dispute, imposing a widespread and severe drought that currently grips at least 29 states. This serves as a reminder of the unique risks farmers and ranchers face that necessitate effective U.S. farm policy.

Robust prices for at least some crops, in part brought on by the drought, will undoubtedly serve as a straw man for those who might still contend that the significant savings and reforms achieved by FARRM are insufficient, that the deficit and growing national debt demand even more. Those without the benefit of history may find this argument compelling. However, the nation's experience with the past three farm bills leads to a different conclusion. While the 1996 farm bill was predicated on forecasts of high prices that ultimately plunged, resulting in billions of dollars in additional costs, the 2002 and 2008 farm bills were predicated on or at least designed to deal with dramatic price declines that ultimately never materialized, yielding substantially lower costs to taxpayers. Prudent policy and honest budgeting, informed by these experiences, directed the Committee to couple the fiscal successes of the previous two farm bills with the market-orientation and reg-

ulatory relief of the 1996 law in order to accomplish significant savings and reform.

It is in the context of these overarching objectives that the Committee took into consideration the substantive policy priorities of all those impacted by a farm bill, including the nation's farmers and ranchers. Relative to the farm safety net, despite what seemed at times to be a cacophony of views, several key themes constantly emerged.

The first and most widely shared theme is that Congress should do no harm to Federal Crop Insurance. The cuts made in the 2008 farm bill, the cuts made unilaterally by the Administration just two years later in its renegotiation of the Standard Reinsurance Agreement (SRA), and dramatic policy changes elsewhere in the administration of crop insurance, raised the alarm that 32 years of progress in making crop insurance the cornerstone of U.S. farm policy it is today could be jeopardized. One of the most significant challenges the Committee faced was honoring producer priority to protect crop insurance while also satisfying the wishes of some producers who wanted a revenue-based program offered under Title I, goals which are to some extent at cross purposes due to interaction.

The second and third themes—producer choice and price protection respectively—are also widely held, though there are earnest differences as to approach. From hearings held in all regions of the country, it was evident that producers were uncomfortable with Washington creating a one-size-fits-all approach to Title I. It would be a mistake, however, to interpret the concern on the part of these producers as being interested in a choice simply for the sake of being allowed to make one. Even among producer groups and producers who expressed a common preference for revenue-based support under the commodity title, differences were sufficient to produce two alternate options that farmers could choose from under the Senate farm bill.

However, it is price protection that is at the heart of producers' interest in choice. For producers of some crops, limited variances in yield from year to year greatly diminished the value of a farm policy based on revenue because their peril was not revenue but rather price. Although frequently mischaracterized as a regional divide separating northern and southern producers and crops, omission of a price-based alternative to revenue-based programs would disenfranchise producers of every crop from every region who contended that the farm bill's primary purpose is to address long-term price declines.

In regard to cotton policy, the Committee weighed the options carefully in light of ongoing efforts to resolve the WTO dispute with Brazil. As the report to the 2008 farm bill chronicles, very substantial changes have been made to U.S. cotton policy to address the WTO complaint, including in the 2006 budget reconciliation and the 2008 farm bill. These reforms to U.S. cotton policy have occurred alongside major changes in cotton prices, reductions in U.S. cotton acreage and increases in Brazil cotton acreage, as well as increases in Brazilian support for its producers since the time the Brazil cotton case was initiated. The fundamental change in U.S. cotton policy included in the House farm bill eliminates any objectionable remnant of that policy.

In relation to rules of eligibility, as part of overall reform efforts, the Committee reluctantly imposes a lower adjusted gross income (AGI) means test that is uniform to all income sources for the commodity programs in Title I and for Title II conservation programs. AGI rules were sharply lowered four years ago in the 2008 farm bill and changed again just last year as part of the annual appropriations process. However, the Committee does maintain reasonable payment limitations and rules that allow producers to share the risks of farming with family members and do so without confronting new obstacles and added layers of bureaucratic red tape.

Finally, the Committee considered and rejected proposed changes to U.S. sugar policy that would have reverted the policy to 1985. U.S. sugar policy has operated at zero cost to taxpayers and is projected to remain a zero cost policy into the future. Under WTO and NAFTA commitments, the United States is the biggest importer of sugar in the world and has a totally open market with Mexico. However, heavily subsidized and protected foreign sugar producing countries distort global markets, alternately shorting world supplies and driving up prices or glutting world supplies and depressing prices, divorced from real market forces. U.S. sugar policy allows highly efficient U.S. producers to remain competitive on a lopsided global playing field while providing safe, low cost sugar to consumers.

Supplemental Agricultural Disaster Assistance Programs

The Committee reported bill maintains existing disaster assistance for livestock producers when their livestock die due to severe weather, disease, or other acts of nature. It also continues assistance for natural disasters that destroy forage used for grazing, honey bees, farm fish, orchard trees, and nursery trees. The Livestock Indemnity Program, the Livestock Forage Disaster Program, Emergency Assistance for Livestock, Honey Bees, and Farm-Raised, and the Tree Assistance Program are established and proven programs in the livestock and the orchard & nursery tree sectors.

Rapidly rising input costs, volatile export markets, natural disasters, and other unpredictable factors present production risks to animal agriculture. The emerging drought in the summer of 2012 is an example of an unpredictable event with the potential to upset business models and adversely affect producers and consumers. Many crops have access to insurance products that help them manage this production risk. The Committee applauds the efforts of the animal agriculture community to explore such products as evidenced by a number of reports called for in this legislation, including swine catastrophic disease loss, poultry business interruption, and poultry catastrophic disease loss insurance.

Unless and until additional insurance products can be developed and adopted by the livestock sector, these programs will be a vital tool to help manage production risks and protect animal agriculture, and ultimately consumers, from the consequences of natural disasters.

In the case of orchardists and nursery tree growers who produce trees, bushes and vines for commercial purposes, the Tree Assistance Program helps them replant trees, bushes and vines destroyed by natural disasters.

Dairy Margin Protection Program

The failure of existing dairy programs to address the challenges faced by dairy farmers in recent years led the Committee to reconsider the best means for managing price volatility and producer risk in the dairy sector.

Current dairy programs focus on price support. While milk prices were mostly stable when these supports were first enacted, annual fluctuations in farm milk prices are now routine, with milk prices regularly moving between lows and record or near-record highs over the past decade. In 2009, the dairy industry suffered dramatic losses, as dairy prices fell sharply from record highs in 2007–2008 at a time when feed costs were rising substantially above long-run averages.

While milk price is an important factor for the financial success of dairy producers, another significant factor is the cost of dairy feed, which accounts for about three-quarters of a dairy farm's operating costs or about one-half of total costs.

In light of these considerations, focus has shifted to a safety net that is centered on a "milk margin." The margin is the amount available to pay all other costs once the feed bill is paid and can be calculated by subtracting a national feed cost from the national farm milk price.

The dairy margin protection program is designed to address both catastrophic conditions, which can result in the severe loss of equity for dairy farmers, such as those witnessed in 2009, as well as long periods of low margins, such as those experienced in 2002.

For producers who elect to participate, basic catastrophic coverage will be provided at no cost. According to testimony from Food and Agricultural Policy Research Institute (FAPRI) to the House Agriculture Committee's Subcommittee on Livestock, Dairy, and Poultry, "Although base program coverage comes at no cost to producers, the probability of receiving a large payment from the base program is small."

Participating producers who exercise their option to buy supplemental margin protection coverage will be able to access a specific level and amount of risk management protection that is tailored to their farms' risk management needs. By offering a lower premium on supplemental coverage for the first 4 million pounds of production, the Committee has incentivized producers of all sizes to utilize this risk management tool on at least a portion of their production.

Dairy Market Stabilization Program

Voluntary participation in the margin protection program requires producers to be subject to the dairy market stabilization program. According to testimony from the National Milk Producers Federation to the House Agriculture Committee's Subcommittee on Livestock, Dairy, and Poultry, "The purpose of the program is to make what occurs naturally in the marketplace occur sooner and faster and reducing price volatility. . . . It also reduces that cost of the margin program resulting in savings compared to current dairy programs. . . . The simple fact of the matter is that dairy farmers and the cooperatives they own bear the burden of balancing the supply of milk with processor demand for that milk."

In order to address the concern about the effect a supply management program may have on the U.S. dairy industry growing export potential, the program incorporates a series of qualifiers that would prevent any reduction in domestic supply of milk if the U.S. and world prices misaligned.

According to testimony from FAPRI to the House Agriculture Committee's Subcommittee on Livestock, Dairy, and Poultry, when the stabilization program operates, it lasts a very short period of time because of the world price triggers. FAPRI's analysis used a stochastic model to draw 500 alternatives for the conditioning variables in determining the dairy baseline, which incorporate historical distributions of the conditioning factors to make certain any historical correlation in these conditioning factors is included. None of the 500 potential outcomes show long-term multi-year operation of the program.

Repeal of Dairy Product Price Support Program

The Dairy Product Price Support Program was created in 1949 as a means to help provide government support for farm-level milk prices through government purchases of dairy products. During most of its lifespan, the program targeted a set milk price, and later established pricing targets for federal purchases of key products, such as cheese, butter, and nonfat milk powder, that would help support that milk price. In the 2008 Farm Bill, the program was altered to support specific product price levels.

Many in the dairy industry have advocated for the repeal of this program for several reasons. First, it supports dairy farmers all around the world, including America's competitors. The current program helps balance world supplies by encouraging the periodic global surplus of milk products to be purchased by U.S. taxpayers. As a result, dairy farmers in other countries, particularly the Oceania region, enjoy as much price protection from the program as our own U.S. farmers.

Secondly, the program has reduced total demand for U.S. dairy products by diverting some of the U.S. milk products into government warehouses, rather than to commercial buyers. It creates a dynamic where it is more difficult for the U.S. to be a consistent supplier of many products, since sometimes the domestic industry has products to export, and at other times, it is easier for the domestic industry to just sell its product to the government.

Thirdly, the program disincentivizes product innovation by creating a government market for products that the marketplace doesn't want. For example, because the government purchases nonfat dry milk, too much of this is produced instead of protein-standardized skim milk powder, as well as specialty milk proteins, such as milk protein concentrates, which are in demand both domestically and internationally.

Also, USDA only buys products of certain size and packaging specifications. Once purchased, nonfat dry milk powder returning back to the market from government storage also presents challenges, dampening the recovery of prices.

Finally, the program seeks to achieve price levels that are no longer relevant to farmers, as the price support levels have been considerably less than the cost of production for many years. As

demonstrated by the dairy crisis of 2009, this program was not an effective safety net.

Repeal of Milk Income Loss Contract Program

The Milk Income Loss Contract (MILC) program is a price-based safety net, which is ineffective for today's dairy producers.

Since the inception of MILC, large dairy farm operators have expressed concern that the payment limit has negatively affected their income. For larger farm operations, their annual production is well above the limit, and any in excess of that receives no risk protection. Limiting the level of protection to a maximum of 2.985 million pounds of milk a year provides a safety net for less than 30 percent of the total milk produced in the U.S.

Despite the feed cost adjustor that was added in the 2008 farm bill, MILC does not adequately offset high feed costs. If milk prices are at average levels and feed costs are high, farmers can suffer substantial losses and still not receive any assistance from MILC. The feed cost adjustment program does not go into effect until the standard feed ration reaches $147 per ton, and it also only covers about 30 percent of the feed price increase above this level.

The inadequacy of MILC as a safety net was most evident through most of 2008, when high feed costs overwhelmed average milk prices and put most farmers into a deep hole without the help of any MILC payments.

Repeal of Dairy Export Incentive Program

The Dairy Export Incentive Program (DEIP) has generally been used in concert with the dairy price support program. As such, it has only been made available in a very limited way after the price support program has begun purchasing and storing dairy products.

Instead of expanding world markets for U.S. dairy products which requires a long-term commitment to serving those markets, the U.S. government has only used DEIP either in response to heavy European subsidization of dairy exports or as an alternative to storing products under the price support program. The program generates a baseline cost without providing any consistent, meaningful return to the U.S. dairy sector.

Extension of Dairy Forward Pricing Program

The ability for producers and processors to manage price risk is limited under the Federal Milk Marketing Order system. By extending the dairy forward pricing program, producers and processors will be able to continue to make use of forward contracting to manage price risk, without the practice being found a violation of the requirements of marketing orders. The program is strictly voluntary and will only apply to Classes II, III and IV milk.

Extension of Dairy Indemnity Program

The Dairy Indemnity Program provides payments to dairy producers who have been directed by a public regulatory agency to remove their milk from the commercial market because it has been contaminated by pesticides, toxic substances, and/or chemical residues. Because such events can be devastating to the financial well-being of producers through no fault of their own, the Committee proposes to extend the program's authorization through FY 2017.

Extension of Dairy Promotion and Research Program

The Dairy Production Stabilization Act of 1983 authorized a national producer program for dairy product promotion, research, and education to increase human consumption of milk and dairy products and reduce milk surpluses. Under the program, promotion and research is conducted to strengthen the dairy industry's position in the marketplace and to maintain and expand domestic and foreign markets and uses for fluid milk products and dairy products produced in the United States.

Federal Milk Marketing Order Review

The 2008 farm bill revised the federal milk marketing order amendment procedures in order to streamline and expedite the amendment process. As there continues to be interest in marketing order reform, stakeholders are encouraged to make use of this administrative process, which allows for petition of the Secretary at any time and a hearing process whereby producers and processors can provide input. The House Agriculture Committee continues to provide oversight of this process and refrain from any legislative changes to the order system until stakeholders have exhausted their administrative remedies.

Title II—Conservation

The conservation title authorizes cost-share and technical assistance for farmers, ranchers, foresters, and landowners through voluntary, incentive-based conservation programs. Through these programs, producers protect and restore water quality and quantity, air quality, wildlife habitat and address regulatory requirements while providing a safe, abundant, and affordable food supply. The conservation programs have grown in size and significance in recent farm bills.

The Food Security Act of 1985 authorized several conservation measures intended to address concerns about the impact of agricultural production on soil erosion and wetland loss. The 1996 Farm Bill took the groundbreaking step of consolidating previously discretionary funded programs into one new program funded with mandatory money from the Commodity Credit Corporation (CCC). The program created, the Environmental Quality Incentives Program (EQIP), is one of the most successful and popular programs among farmers and ranchers.

During consideration of the Farm Security and Rural Investment Act of 2002, budget circumstances allowed for the expansion of conservation programs with the addition of $17.5 billion to the conservation baseline for the life of the 2002 Bill and the out-year baseline as well. The Conservation Security Program was created.

Despite budget pressures, the Food, Conservation, and Energy Act of 2008 increased conservation spending by nearly $4.5 billion during the life of the bill and created new targeted conservation programs such as the Chesapeake Bay Program, the Cooperative Conservation Partnership Initiative (CCPI), and the Conservation Stewardship Program (CSP). However, the Wetland Reserve Program (WRP), the Grassland Reserve Program (GRP), the Small Watershed Rehabilitation Program, and the Voluntary Public Ac-

cess and Habitat Incentive Program remained without adequate baselines given the demand and interest in these programs.

The Committee recognizes that these programs serve as a foundation for improved conservation efforts. The Committee's priority to assist farmers and ranchers in addressing environmental regulations and conservation needs has not changed. The Committee reported bill maintains the core functions and goals of the conservation title while eliminating or combining 23 duplicative and overlapping programs into 13 programs to allow for streamlined delivery, while also providing $6.1 billion in savings below baseline funding.

Conservation Reserve Program (CRP)

The Committee strongly supports the Conservation Reserve Program as one of the main pillars of cost-effective conservation available to farmers and ranchers. However, through the hearing process, the Committee recognized that market pressures are moving land into production. Maximum enrollment of CRP is incrementally stepped down to 25 million acres allowing enrollment to focus on the most environmentally sensitive lands. Additionally, the Committee reported bill further addresses this issue by directing the Secretary to conduct a onetime early out of land that is not considered environmentally sensitive.

The reported bill directs the Secretary to reserve two million acres under CRP for working grassland contracts to capture land that was previously eligible under GRP. The reported bill further directs USDA to provide landowners with added flexibility to better manage their enrolled acres with managed activities such as haying and grazing or in the cases of drought or other emergencies.

To ensure that environmental benefits are maintained, the reported bill gives expiring CRP acres priority consideration for working grassland contracts, and the Conservation Stewardship Program, as well as the ability to enter into contracts under working land programs before the CRP contract expires. Beginning farmers or ranchers will continue to be eligible for greater access to productive land with the continuation of the Transition Incentives Program (TIP).

The Committee is concerned that USDA has not been fully utilizing CRP technical assistance authorities and funding enacted by the 2008 Farm Bill for agency infrastructure, including outreach, training, and other technical services. The Committee expects USDA to better utilize this authority for internal support and to support outreach and partnership with non-governmental organizations and other qualified entities to ensure that producers and landowners are fully aware of their options under the program.

The Committee directs the Secretary of Agriculture to, within one year of enactment, report to Congress on the quality of land currently enrolled in CRP based on the land capability classification system, the erodibility index, other eligible lands criteria, and natural resource benefits. The report should include justification for using the prescribed environmental benefits index threshold for any acres enrolled into the program after enactment. The Secretary shall complete such a report five years thereafter and include the same information on land quality and decisions to enroll types of acres based on the environmental benefits index. If the decision is

made to use a different environmental benefits index threshold or methodology for making decisions to enroll program contracts, reasons for the decision should be included in the report.

Additionally the Committee directs the Secretary of Agriculture, within two years of enactment, to complete a comprehensive economic impact study that specifically evaluates the impact the CRP has had on rural communities. The report should include the average county rental rates and rental rates paid for CRP land.

While the Committee agreed to an overall reduction in the maximum acres that could be enrolled in CRP, this should not serve as an indicator of declining or reduced support for CRP. The Committee intends for CRP to be implemented at authorized levels, and for the program to continue as one of USDA's key conservation programs. Because there are widespread concerns that CRP rental rates are below prevailing local market levels, USDA shall update rental rates annually and use incentive payments for continuous CRP practices to make the program competitive with other programs and more economically viable for producers.

Conservation Stewardship Program (CSP)

The Conservation Stewardship Program encourages producers to adopt new conservation measures while maintaining current practices to protect natural resources. The Committee encourages the Secretary to place emphasis on adopting new practices; with new contracts addressing at least one additional priority resource concern and renewing contracts that address at least two priority resource concerns.

The Committee intends for the supplemental payment to encourage producers to adopt new, additional beneficial crop rotations that provide significant conservation benefits. The payments are to be available to producers across the country and should not be limited to a particular crop, cropping system, or region of the country. In the Southeast, peanuts are an example of a crop that responds well to increased rotation lengths, which help peanut producers, conserve water, more effectively control disease, and reduce inputs to control disease and increase productivity. Alfalfa is another important rotation crop in many parts of the country and plays a role in adding value to a producers' operation as well as providing natural resource benefits. The Committee recognizes sorghum's very significant contributions to resource conservation as a water-conserving crop and expects the Secretary to include sorghum in any supplemental payments for resource conserving crop rotations made available under the CSP, in addition to maximizing sorghum's role in achieving the purposes of the Regional Conservation Partnership Program and the Environmental Quality Incentives Program.

The Committee believes conservation programs as implemented by USDA should recognize the use of innovative technology such as enhanced efficiency fertilizers. Enhanced efficiency fertilizers, which reduce nitrate losses to the environment, help protect water quality, and reduce greenhouse gas emissions, include slow- and controlled-release fertilizers (absorbed, coated, occluded or reacted) and stabilized nitrogen fertilizers (nitrification inhibitors and nitrogen stabilizers) and are recognized by NRCS' 590 National Nutrient Standard and by State regulators of fertilizers.

Environmental Quality Incentives Program (EQIP)

The Environmental Quality Incentives Program provides cost share incentives to producers to meet or avoid the need for national, state, or local regulation. Under the Committee reported bill, EQIP will provide additional incentives for wildlife by consolidating the functions of the Wildlife Habitat Incentives Program (WHIP) and requiring 5% of the program funding to go towards wildlife habitat incentives.

The Committee addresses the concerns heard in hearings and field hearings regarding beginning farmers by maintaining set-asides for beginning farmers or ranchers and socially disadvantaged producers while including a priority for veteran farmers. Producers under these set-asides would also be eligible to have up to 50% of upfront project costs covered in advance.

The Committee recognizes the broad responsibilities of the EQIP program and the great work that it does in promoting environmental stewardship among livestock and poultry farmers around the country and maintains that 60% of allocation go towards these producers. Within six months of enactment, the Committee requests from USDA a report on funds spent over the duration of the last Farm Bill and on whether NRCS has met its statutory obligations. Additionally, the Committee encourages NRCS to evaluate its education program and make sure that it is providing all potential users within each state an opportunity to become educated about the EQIP program and how each farmer can incorporate EQIP into their farm stewardship management plans. The Committee also requests a comprehensive breakdown of practices used and how each state spent its allocated funds to also be included in the report.

The program maintains the Conservation Innovation Grant (CIG) subprogram to promote new and innovative conservation practices. The reported bill directs the secretary to report to the Committee every two years on project funding and results of projects authorized under CIG. The Committee intends for increased transparency over innovative conservation projects and monitoring that these innovative conservation practices are later incorporated into common conservation practices.

The Committee reported bill does not reauthorize the Air Quality Initiative; however, the Committee intends for EQIP to continue to provide financial assistance to producers operating in nonattainment areas to make air quality improvements, including reducing emissions from mobile or stationary sources, to help them comply with Federal air quality standards and associated requirements or regulations.

Agriculture Conservation Easement Program (ACEP)

The Committee reported bill addresses duplication and funding issues identified with FRPP, WRP, and GRP by consolidating their functions into one easement program for streamlined and flexible administration. ACEP consolidates all easement programs into one umbrella program with two legs: (1) Agriculture Land Easements (ALE) to protect grasslands or farmland from non-agriculture development and (2) Wetlands Easements to restore, maintain, and protect wetlands.

The reported bill establishes that the federal match of ALE will not exceed 50% of the eligible land's fair market value. However, the Committee recognizes that historically the purchase of grasslands easements have occurred with a higher federal match. The reported bill gives the Secretary the authority to pay up to 75% of the fair market value to address the purchase of grassland easements.

The Committee directs the Secretary, at a national level, to reserve 40% of allocations for agriculture land easements until 2016 and 50% in 2017. The Committee intends that states will have the flexibility to allocate funding as appropriate to address the eligible lands in their region.

Regional Conservation Partnership Program (RCPP)

The Committee understands that a targeted approach to conservation practices can achieve a greater conservation benefit. The Committee is also cognizant of specific regions of the country that are under significant regulatory pressure or have serious concerns regarding specific natural resources. The Committee reported bill creates the Regional Conservation Partnership Program by consolidating four programs into one targeted initiative that leverages USDA funding and resources by partnering with private organizations to address natural resource concerns.

The Committee eliminates the Agricultural Water Enhancement (AWEP) Program, the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiatives (CCPI) Program, and the Great Lakes Basin Program. However, the functions of each of these programs are still necessary and the Committee intends for the Secretary to capture their functions in the implementation of the RCPP. Eligible conservation practices implemented currently through these programs should be continued under the new consolidated program.

Targeted conservation initiatives will be developed on the local level and selected by USDA through a competitive, merit based application process. All resource concerns should hold equal weighting. The Committee encourages the Secretary to distribute funding equitably across the nation and to not ignore different natural resource concerns that may be unique to each region.

The Committee strongly encourages the Secretary to only choose partners who have a successful history of working with agriculture producers.

Additionally, USDA may designate Critical Conservation Areas to target conservation programs in regions under significant regulatory pressure. The Committee reported bill has set allocation levels for the state and national levels in addition to the Critical Conservation areas to help address priorities.

Funding and Administration

Section 2607 of the Committee reported bill combines language on improved administrative efficiency and streamlining from individual programs and places it here to apply to all conservation programs. It expands and clarifies requirements for developing a streamlined conservation application process. It clarifies that any payment received under this title is in addition to and does not affect total payments that an owner or operator is otherwise eligible

to receive. The Committee encourages the Secretary to significantly increase the use of computer-based conservation practice planning tools that incorporate Light Detection and Ranging elevation data to modernize and simplify conservation planning, improve efficiency of technical assistance, and improve service to private landowners.

Title III—Trade

Humanitarian assistance and agricultural development programs

The United States provides nearly half of all food aid provided around the world through emergency humanitarian responses and non-emergency, agricultural development programs. The Committee reported bill modifies the general authorities in Title II of the Food for Peace Act to place a greater emphasis on projects which focus on building resiliency in the recipient population where food shortfalls and droughts are common.

The Committee reported bill adjusts the maximum allowable level of cash assistance for administrative and programmatic costs in Title II of the Food for Peace Act to ensure that scarce cash resources are made available only for costs and expenses which cannot be readily funded through the monetization process in the first period of a new project. The Committee expects USAID to closely evaluate its guidance and approval process to ensure that direct and indirect program costs are clearly defined and to ensure that administrative costs in the programs are minimized.

In May 2011 the Government Accountability Office (GAO) completed a report which cites deficiencies in the nutrition and quality controls of U.S. food aid commodities. Included in this report are recommendations that USAID review food aid packaging, track food aid quality throughout the supply chain, and ensure that available food aid commodities meet the nutritional needs of recipients. The Committee notes that USAID has sufficient and specific authority to address the recommendations made by GAO, and expects USAID to build strong public-private partnerships with food manufacturers and other stakeholders to more quickly address the deficiencies highlighted in the May 2011 report using currently available studies on food aid quality and nutrition. The Committee reported bill reauthorizes funding at a lower level for these activities to encourage USAID to focus on deploying food aid products already developed under this authority.

The Committee reported bill directs USDA and USAID to establish a formal mechanism by which new products will be approved through both agencies in a timely manner. In the view of the Committee, USDA and USAID are not coordinating sufficiently and should quickly modify the interagency process to ensure new food aid commodities are made available to appropriately target recipient populations. In support of efforts to provide appropriate commodities to vulnerable populations, authority is extended for shelf-stable, prepackaged foods and micronutrient fortification of food aid commodities.

The Committee notes that while USAID places significant burdens for success of programs upon implementing partners and other stakeholders, feedback from these groups through the Food Aid Consultative Group (FACG) is not adequately incorporated into

program guidelines. The Committee reported bill instructs USAID to give sufficient notice of changes to the FACG before new guidance is finalized, and requires new guidance to be promulgated in a timely manner after any changes to the Food for Peace Act.

Authority is extended for the Famine Early Warning System Network to provide advance information to more quickly and effectively respond to an emerging crisis. However, the Committee is disappointed in efforts by USAID to complete implementation of new information technology systems authorized in previous legislation. No additional funding is provided for new information technology systems, and the Committee fully expects USAID to complete development and management of those systems without additional Food for Peace resources.

Funding is continued for additional monitoring and evaluation of programs at a level which reflects resources available for Food for Peace programs. The Committee reported bill also requires that USAID report on the monitoring and evaluation activities actually conducted. In 2009 GAO concluded that monitoring of programs was inconsistent and that program management was not modified to reflect information gained from the monitoring and evaluation conducted by or for USAID. Through provisions in the Committee reported bill, the Committee expects USAID to make significant improvements in program guidance based on the monitoring and evaluation conducted.

In June 2011 GAO reported on inefficiencies and adverse impacts of monetization. The Committee agrees that both USDA and USAID should have consistent policies governing both agencies monetization activities. The Committee reported bill requires that USAID consider the benefits of monetization when considering a proposal under Food for Peace. The Committee notes existing requirements for USDA and USAID to approve only those sales which will not disrupt the usual marketing and processing of commodities in the recipient country, and clarifies that commodities should be sold at a fair market value.

Recognizing the necessity of responding quickly to humanitarian emergencies, authority is increased for the prepositioning of food aid commodities which allows USAID to increase the number of prepositioning sites, as appropriate.

The Committee reported bill reduces the authorized level of funding for the Food for Peace Act while extending sufficient authority to provide funding above the ten-year average appropriation. The Committee recognizes the importance of non-emergency agricultural development programs to create resilient communities in vulnerable populations, and extends minimum levels of funding to support development activities.

The Committee is disappointed that the report on local and regional purchase of food aid commodities, which was required under previous legislation, was not made available to the Committee prior to consideration of the bill as introduced. The report was expected to quantify the challenges associated with relying on purchases of foreign commodities to address acute humanitarian needs. The Committee also recognizes that more than $300 million in local purchases of commodities is routinely carried out under authorities contained in other legislation.

The Committee reported bill increases authority for the John Ogonowski and Doug Bereuter Farmer-to-Farmer Program contained in the Food for Peace Act to extend the program which mobilizes U.S. volunteers from the agricultural industry, universities, and non-profit organizations to assist their counterparts in developing and emerging economies.

Trade Programs

The U.S. agricultural industry is highly dependent on exports, with nearly a third of all cash receipts generated from international markets. The Committee reported bill ensures that U.S. producers are able to capitalize on these opportunities by making strategic investments in programs designed to address foreign barriers to U.S. exports. Increased margins for U.S. farm output translates to greater capital flows back to rural America, supporting farms and their rural communities.

The Market Access Program is reauthorized to provide assistance on a cost-share basis, targeting small businesses, famer cooperatives, and non-profit trade organizations. Private contributions are estimated at 60 percent of total annual spending on trade promotion and market development, further increasing the effectiveness of promotional activities.

Additional programs which are reauthorized include the Foreign Market Development Program which gives preference to trade groups which represent an entire industry, Technical Assistance for Specialty Crops to address non-tariff trade barriers for specialty crop exports, and the Emerging Markets Program to promote generic U.S. exports in emerging economies.

The Committee reported bill also reauthorizes the GSM -102 program while preserving USDA's authority to manage usage of the program to meet certain administrative goals, including the ability to adjust tenor and fees associated with guarantees made available under the program.

The Committee recognizes that exports are vitally important to the U.S. economy. Given the need to spur economic growth and job creation the Committee reported bill amends the Department of Agriculture Reorganization Act of 1994 to provide for the establishment of an Under Secretary of Agriculture for Foreign Agricultural Services. The agricultural sector has been and continues to be a major contributor to the nation's overall level of exports and is one of only a few sectors of the economy that traditionally has had a positive net trade balance. However, U.S. agricultural exports face increased barriers overseas.

The Committee reported bill meets the need to address tariff and non-tariff trade barriers for U.S. agricultural exports by providing a full time, singular focus on trade and foreign agricultural programs. The Committee expects this new focus to allow more effective coordination and to provide a single point of contact for resolving internal and external trade and foreign agricultural affairs issues through a high level of representation for agricultural trade issues within the Executive Branch and with Congress, stakeholders, foreign governments and international bodies. The Committee does not intend for this provision to create the need for additional personnel or appropriations for USDA.

Title IV—Nutrition

Supplemental Nutrition Assistance Program (SNAP)

The Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamp program, has seen unprecedented growth over the past ten years and today accounts for almost 80 percent of the Committee's mandatory spending. Consequently, the Committee agreed to make reforms in SNAP that resulted in a reduction of $16 billion over ten years, which is a two percent reduction to the program.

The Committee views these changes as part of its ongoing responsibility to ensure that SNAP is of the highest integrity. The provisions passed by the Committee will close program loopholes; reduce waste, fraud and abuse; and ensure that the program continues to serve those who are in need of food assistance according to the rule of law. It is the Committee's clear intent that families who lawfully qualify for assistance under SNAP law are not prevented from receiving their benefits. The changes made to SNAP in the 2008 farm bill remain fully intact and will continue to benefit SNAP participants.

The Committee agrees that SNAP provides important support for many Americans and these reported provisions further protect the program. In order to ensure the integrity of this program, the Committee will continue to refine SNAP to better target valuable benefits to serve those in need, while making a reasonable reduction in the deficit.

Making Common Sense Reforms and Closing Program Loopholes

The FARRM Act makes common sense reforms to SNAP eligibility. Since passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, states have had the option of using "categorical eligibility," or automatic eligibility, to streamline SNAP administration for those receiving benefits from other low-income assistance programs. These other programs are Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), or other state general assistance programs. TANF assistance can be in the form of cash or non-cash benefits (i.e. informational brochures, or access to an informational 800–number). When states implement "broad-based" categorical eligibility, they may permit households to use the asset and gross income test of the alternate assistance program. As of May 2012, 43 jurisdictions (40 States, the District of Columbia, Guam, and the U.S. Virgin Islands) have implemented broad-based categorical eligibility. These jurisdictions generally make all households with incomes below a state-determined income threshold eligible for SNAP.

The bill would restrict categorical eligibility to only those households receiving cash assistance from SSI, TANF, or a state-run general assistance program, saving taxpayers $11.5 billion over ten years. This would disqualify those merely receiving a TANF-funded brochure, a referral to an "800" number telephone hotline, as well as other non-cash assistance. It is estimated that 3.9 percent of the 46.2 million people currently enrolled in SNAP would be affected by this provision. Those who no longer have categorical eligibility status under the amended provision would have the opportunity to be reviewed for SNAP eligibility independent of their status as a

TANF beneficiary. And those who receive cash assistance from SSI, TANF, or a state-run general assistance program will still be categorically eligible for SNAP.

Next, the FARRM Act closes a loophole in SNAP regarding how Low Income Home Energy Assistance Program (LIHEAP) payments interact with SNAP benefit calculation. Current law allows low-income households receiving any amount of LIHEAP assistance, even a nominal payment, to automatically qualify for the SNAP Standard Utility Allowance (SUA). In the last several years, recipients in approximately 16 states and the District of Columbia have qualified for the SNAP SUA under this provision.

Under current law, if a participant received $1 in LIHEAP, they can automatically deduct the SUA from their income. Therefore, their net income was reduced, and they subsequently received a higher amount in SNAP benefits. Under the Committee's reported bill, a household must receive a minimum LIHEAP payment of $10 per year to qualify for the SUA deduction, thus saving the taxpayers $4.5 billion over ten years. The revised provision will not affect any household receiving traditional LIHEAP assistance or any household that can demonstrate an out-of-pocket utility cost.

The Committee also eliminated state performance bonuses, saving $480 million over ten years. States are responsible for administering the SNAP program and are legally bound to process applications in a timely manner, ensure households receive the accurate amount of SNAP benefits, and make certain the program is administered in the most effective and efficient manner. In this economic climate the Committee believes it is very difficult to justify awarding states bonuses for practices that should be the daily operating procedure.

Cracking Down on Waste, Fraud and Abuse

The FARRM Act makes significant strides to crack down on waste, fraud and abuse within SNAP. The Committee was concerned by press reports of two lottery winners, both receiving more than $1 million in winnings, who were also found to have been receiving SNAP assistance. The bill includes a provision that would put an end to millionaire lottery winners receiving SNAP, and will prevent them from receiving any benefits if they do not meet SNAP eligibility requirements. The Committee is aware that the Secretary must define the terms "substantial lottery or gambling winnings" in order to carry out this provision. The Committee intends for the Secretary to establish a reasonable threshold for such winnings that balances the need to maintain strong program integrity, the ability of states to administer the provision, and the burden on SNAP households.

Furthermore, the legislation requires that state SNAP Employment and Training (E&T) programs be limited to assisting only those college students enrolled in specific career and technical education courses or basic adult education, remedial, and literacy courses. The Committee was alarmed to learn that some states were taking great liberty in administering their SNAP E&T programs; therefore, the Committee took steps to ensure only those college students meeting the specified criteria could be served by a state's SNAP E&T program. To further improve the accountability of the SNAP E&T program, the bill requires states to report

on how their programs are assisting SNAP participants in gaining skills, training, and work, or experience that leads to employment.

The legislation also reduces fraud at retail stores by requiring a more rigorous standard for stores to become eligible to process SNAP benefits. Retailers will be required to stock more foods like fruits and vegetables, with the Committee's expectation that retailers can meet this requirement by providing products that are fresh, frozen or canned. Retailers will be required to pay 100 percent of the costs for acquiring and implementing EBT point-of-sale equipment. By including this provision, the Committee is targeting fraud within the program, and does not intend for credit card companies, banks, or others to impose any additional fees in regard to the acceptance of SNAP EBT benefits. The bill terminates the use of manual vouchers except in such circumstances as a disaster or EBT system failure. Manual vouchers can serve as a quick-response in emergency situations, and the Committee expects vouchers to be used in the event of a disaster when power is unavailable for an extended period of time.

The legislation bans stores from participating in SNAP if they have significant sales of prohibited items like alcohol and tobacco. The Committee is aware that some stores are concerned about remaining eligible for the program under this change; however, the Committee provides the Secretary with discretion to exempt stores from this provision if the store is deemed necessary to serve SNAP recipients. The Committee expects the Secretary to ensure participants have a choice of stores and that there are sufficient options in underserved areas.

Additionally, the Committee expects the Secretary to work with retailers and relevant stakeholders in developing regulations to implement a unique terminal identification system. Credit card associations are considering implementation of this practice across the entire retail industry in the near future, and it is imperative that the Secretary work with SNAP-approved retailers to ensure there are no additional costs or burdens that are duplicative or inconsistent with common commercial practices.

Recognizing that issuance of SNAP benefits to all participants on the same date within a month creates many challenges both for suppliers and retailers, the Committee directs the Secretary to begin working with states to stagger the monthly issuance of SNAP benefits across an entire month for new beneficiaries. To prevent disruption, the Committee does not expect states to make immediate changes for current beneficiaries nor does the Committee suggest a change in current policy to allow for more than once-per-month issuance of benefits. The Committee encourages the Secretary to work with all stakeholders, particularly those within states that are in the process of staggering SNAP benefits, to ensure distribution is of the greatest benefit to the economy at the least cost.

The FARRM Act recognizes the need to increase the Secretary's oversight of those states and territories choosing to operate a Restaurant Meals Program strictly for the purpose of serving homeless, elderly and disabled participants. Currently, states and territories have the option of running this program without seeking approval from the Department, which has raised the Committee's concern over proper use and implementation of this authority. The

bill requires those states and territories to submit their request as part of their state plan and gain approval from the Department before implementing a Restaurant Meals Program. The plan must demonstrate a need for such a program along with effective control measures. If states and territories are found not operating the program in a proper manner or do not provide sufficient justification for establishing a program, it is the Committee's expectation that the Secretary will suspend or not approve such programs.

The Committee is concerned about the use of funds to advertise and promote the use of SNAP through the use of national outreach funds. Recent news articles have described SNAP advertisements airing on the radio and television as well as information on the Department's website encouraging the enrollment of participants by suggesting that community outreach partners "throw a great party." With historically high SNAP enrollments, the Committee directs these outreach funds to be used towards The Emergency Food Assistance Program (TEFAP).

The bill also expands upon the bipartisan work begun by the Committee on Ways and Means Human Resources Subcommittee to allow data both within and across key federal assistance programs to operate more efficiently. These standardization activities promote transparency, flexibility, and consistency so data can be shared across the various information technology platforms established by federal and state agencies, increasing administrative efficiency and reducing improper payments. This provision is not intended to provide additional authority to standardize data, but to drive the process to occur across multiple federal agencies.

The bill includes a provision that allows SNAP benefits to be used for the purchase of community-supported agriculture (CSA) shares. The Committee is aware that the Secretary currently permits CSA businesses to participate in SNAP. Farmers organized as a CSA can participate in a manner similar to farmers' markets; SNAP recipients use SNAP benefits and receive eligible food items from the CSA at the time product is delivered (i.e. at the point-of-sale). Non-profit CSAs are permitted to accept SNAP benefit payment up to 14 days in advance of product delivery. The Committee expects that the Secretary will administer this provision in accordance with current practice and procedures for authorized community-supported agriculture businesses.

Additional nutrition programs

Food banks have been successful in effectively utilizing federal commodities and securing private sector donations in order to feed hungry Americans. However, local food banks have been struggling to provide enough food to needy families in the current economic climate. Recognizing the challenges food banks are facing, the FARRM Act provides an additional $25 million per year for The Emergency Food Assistance Program (TEFAP).

Furthermore, it is the intent of the Committee that the Secretary purchase and deliver emergency foods so as to maximize the continuity of food product flow to emergency feeding organizations throughout the year to better enable them to meet the need for assistance in local communities, particularly in times of high demand. To meet this objective, the Committee strongly encourages the Secretary to review potential bonus and surplus removal pur-

chases on a real-time basis and adjust the timing of mandatory food purchases and deliveries to address periods when bonus and specialty crop deliveries are expected to be low. Having a more balanced delivery of both mandatory and bonus food purchases will enable emergency feeding organizations to better serve those in need. The Committee also intends for the Secretary to consider the cost of regulatory changes on the operation of emergency feeding operations in order to prevent such regulatory changes from adversely affecting the services provided by the emergency feeding organizations. The Committee encourages the Secretary to work with emergency feeding organizations to address these concerns.

The FARRM Act makes changes to the Commodity Supplemental Food Program (CSFP) that will transition this program into serving only the elderly while allowing the small percentage of women and children currently enrolled in the program to continue to receive services until they have exceeded the age of eligibility. The Committee intends that individuals participating in CSFP on the day immediately prior to the effective date of this provision shall remain eligible until such time as an individual is no longer eligible for the program in any age or category. For example, a participating infant on effective date may remain in the program as he or she ages into subsequent age/categories, if otherwise eligible. Women and children will all continue to be served by the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which is more suited to their dietary needs.

The Committee agreed to increase funding for Community Food Projects by an additional $10 million per fiscal year, with half of this increased funding being designated to projects that help communities provide incentives for low-income individuals to purchase fruits and vegetables. The Committee recognizes that there has been tremendous growth in the purchase of locally grown fruits and vegetables. Rather than duplicate programs, the Committee increased funding for an existing program that is flexible and has been successful in helping communities address the food and nutritional needs of its citizens.

The FARRM Act also removes the word "fresh" from the Fresh Fruit and Vegetable Program. The purpose of the program is to encourage the increased consumption of fruits and vegetables in a variety of forms in elementary schools with a high number of low-income students. This change will allow elementary schools participating in this program to maximize their funding by having the option of purchasing fresh, frozen, canned, and dried fruits and vegetables. Fruits and vegetables in all forms, as emphasized by the 2010 Dietary Guidelines for Americans, provide a variety of micronutrients and fiber that are important to maintaining overall health. The Committee recognizes the challenges schools face in the storage and preparation of fresh foods, and to accommodate those needs, the bill provides schools with greater flexibility while still serving school children with a variety of nutritious produce. The Committee expects the Secretary to inform states and schools of this change to the program through notification.

Additionally, the Committee believes that participants in all federally funded nutrition assistance programs deserve access to a variety of safe and nutritious food. The 2010 Dietary Guidelines for Americans recognized that Americans' consumption of fruits, vege-

tables, and fiber is below target, and all forms of these products increase the intake of essential vitamins and nutrients. The Committee encourages the Secretary to include all forms of fruits, vegetables and beans—canned, fresh, frozen, and dried—in nutrition assistance programs, and to educate program participants that all forms of these foods can help them meet the Dietary Guidelines for Americans.

The bill includes a pilot program within the Department of Defense (DOD) Fresh Fruit and Vegetable Program. This pilot would allow up to five states to use their DOD Fresh funding allocation to source local produce. The Committee expects states that are selected to participate in this pilot to use this funding solely for the procurement of local fresh fruits and vegetables for school children. The Committee also intends for the pilots to be carefully evaluated in order to help inform future national policy.

Title V—Credit

The House Agriculture Committee understands that access to credit is crucial to America's economy as a whole, but more importantly to the health and success of family farms, ranches, and the entire agricultural sector. To that end, the FARRM Act provides greater flexibility to the Farm Service Agency (FSA) in facilitating credit programs.

Under current law, FSA provides Farm Ownership Loans to owners of farms. However, when a family forms a separate entity for transition or liability reasons, Farm Ownership Loans are no longer available to them. By adding "other legal entities" to the list of eligible borrowers, the Committee reported bill enables FSA to assist qualified operating entities with Farm Ownership Loans even when the entity does not own real estate or is a member of the operating entity thus providing flexibility and greater participation to the program.

The Committee reported bill provides clarification and flexibility to the Secretary to adjust experience requirements to avoid excluding those who are qualified, but may not be able to meet the current 3-year farming or ranching experience requirement, thus enabling more young or beginning farmers and ranchers to participate in the program.

The Committee reported bill increases the Conservation Loan guarantee amount from 75 to 90 percent (a percentage similar to other loan programs), encouraging a larger participation rate for beginning farmers and ranchers, while continuing to protect priority for beginning and socially disadvantaged farmers and ranchers.

In an effort to provide greater participation for beginning farmers and ranchers and increased flexibility to FSA, the Committee reported bill increases the maximum loan value for the Down Payment Loan Program from 45 percent of $500,000 to 45 percent of $667,000.

Throughout last summer's audit hearings the Committee found several areas in which FSA could streamline certain administrative mandates. As a result, the Committee repealed the Mineral Rights Appraisals requirement for real estate loans. Moving forward, this change should reduce costs for both the borrower and FSA as third party appraisals could be used in some cases instead of FSA having

to obtain a new appraisal that specifically includes the mineral value.

Under the current statute, delinquent youth loan borrowers are subject to provisions of the Debt Collection Improvement Act. This can result in undue hardship, as a youth loan recipient could be rendered ineligible for student loans and grants, which may prevent them from obtaining higher education. The Committee reported bill directs the Secretary, on a case-by-case basis, to waive the personal liability and cancel any remaining debt in situations in which failure was beyond the youth's control (i.e. project failure due to disease or natural disaster).

The Committee reported bill directs the Secretary to establish a microloan program to better serve young, beginning, veteran and urban farmers and ranchers.

The Committee reported bill directs FSA to prioritize joint financing agreements and Down Payment Loans within the Direct Farm Ownership Loan program in order to maximize the number of borrowers served for a given level of appropriations.

Under current law, beginning farmer ownership loans are limited to applicants who do not own real estate in excess of 30 percent of the median farm size in the county. In some counties however, the median size is so small that an applicant cannot qualify if they own any real estate. To that end, the Committee reported bill reconciles the median farm size limitation by replacing "median" with "average". In almost every county, the average is greater than the median farm size. This allows more otherwise qualified applicants to receive beginning farmer ownership loans.

Most FSA loans are available to all agriculture producers, no matter if they reside in rural, suburban, or urban areas. However, FSA Youth Operating Loans are currently only available to youth (ages 10–20) who live in rural areas (areas with 50,000 or less residents). The Committee reported bill removes the "rural residents" requirement allowing all youth the opportunity to receive a Youth Operating Loan similar to all other FSA loans, while continuing to require that youth borrowers would need to be under the supervision of an organization, such as 4–H, FFA or Boys/Girls Clubs.

The Committee reported bill makes changes to the loan program for purchasers of highly fractionated tribal land to ensure that the program meets the needs of tribal members.

Title VI—Rural Development

The Committee reported bill addresses fiscal constraints by reducing authorizations for appropriations by more than $1.5 billion over five years. Based on discussions with stakeholders, and in conjunction with the reduced number of programs, the Committee expects this action will ensure scarce funds are concentrated in the most effective programs.

In testimony before the House Agriculture Subcommittee on Rural Development, Research, Biotechnology and Foreign Agriculture, the Government Accountability Office (GAO) responded to several critical issues in programs operated by USDA. Among these was the impact that funding set-asides have on the fragmentation of rural development programs, and the overlap or duplication across programs. Additional testimony by witnesses representing counties, municipalities, and non-profit rural development organi-

zations cited both the confusing number of programs and the burden of applying for assistance as a major impediment to accessing rural development funding at USDA. The Committee agrees with a number of the GAO's conclusions and the concerns of municipal organizations. The Committee reported bill addresses these concerns by eliminating thirteen programs, requiring the Secretary to collect information on the success of loans and grants over time, and requiring the Secretary to create simplified applications.

GAO also highlighted a need for measuring the effectiveness of rural development programs. Committee passed bill addresses this need by requiring the Secretary to collect data regarding economic activity created through the loans and grants provided to rural communities. The Committee expects these efforts will create a harmonized baseline of information for effective use by USDA and Congress. It is the intent of the Committee to integrate this collected information with program changes and rulemaking.

In testimony reviewing rural development programs in advance of formulating the Committee reported bill, stakeholders spoke to the importance of regional collaboration to create effective outcomes. The Committee recognizes that the Secretary can coordinate the efforts of USDA with other Federal agencies, and expects the Secretary to ensure rural development funds are carefully targeted for the greatest impact possible. The Committee reported bill also addresses regional collaboration through the reauthorization of the Delta Regional Authority, the Northern Great Plains Regional Authority, and the State Rural Development Councils.

Testimony presented to review broadband programs clearly indicated a need for transparency through the application process for incumbent providers to respond appropriately to applications for new funding in their service territory. The Committee reported bill addresses this need by authorizing the Secretary to establish a process by which incumbent providers may submit comments.

The Committee recognizes the importance of "Main Street" businesses to rural communities, and that the recent economic downturn has reduced the affordability of credit in rural areas, putting considerable strain on these small businesses. The Committee reported bill addresses this issue through changes to the Business & Industry (B&I) Loan Program intended to ensure working capital is an eligible use of funds. The Committee reported bill also provides flexibility for the Secretary to consider accounts receivable for the purposes of collateral to allow lenders to help meet the capital needs of small businesses in rural areas. The Committee encourages USDA to examine additional ways to guarantee lending to small brick-and-mortar, community-owned businesses, such as an increased loan guarantee percentage for smaller loans, a streamlined process for making B&I loans of less than $250,000, and making operating lines of credit eligible as a program use. Additionally, the Committee encourages USDA to better coordinate with the Small Business Administration on outreach related to the B&I loan guarantee program to rural lenders.

The Committee recognizes that with over $3 billion in pending applications for water and wastewater projects throughout rural America, reauthorization of water infrastructure programs is a vital component to rural economic development. Access to water systems promotes the health of rural communities and attracts

businesses to invest in communities which are well supported by critical infrastructure. To address the current backlog, the Committee passed bill directs USDA to maximize the use of guarantees through private or cooperative lenders for projects in larger communities. The Committee expects these provisions to leverage available funds to serve more communities than might otherwise be served solely through direct loans.

Title VII—Research, Extension, and Related Matters

Option to determine status

The Committee recognizes that for institutions with degree programs in the agricultural sciences that qualify as a Hispanic Serving Institution under the Higher Education Act of 1965, the subsequent automatic qualification as a Hispanic Serving Agricultural College or University then precludes that institution from qualification as a Non-Land-Grant College of Agriculture. The Committee does not take a position on how an institution should be designated, but has provided that Hispanic Serving Institutions with degree programs in the agricultural sciences may make a one-time choice which designation they wish to be considered under for purposes of access to program funding eligibility.

National Agricultural Research, Extension, Education, and Economics Advisory Board

The National Agricultural Research, Education, Extension, and Economics Advisory Board (NAREEEAB) was created in 1996. The NAREEEAB replaced an existing user's advisory board and consolidated the functions of numerous other boards, task forces and councils. This advisory board has since served as the principal advisory mechanism to the Secretary, Under Secretary, agency administrators and the Congress on all aspects of the Research, Education and Economics (REE) mission area.

In creating the NAREEEAB, the Congress intended for this board to recommend policies, identify short and long term national priorities for REE programs, and to evaluate program results and effectiveness among other assigned duties. The Congress has since added multiple duties and consultative functions to the Board's mandate. In doing so, the Committee is aware that the work load and learning curve of the volunteer members is high. It has become apparent to the Committee that it can take several years for new board members to become comfortable not only with the diverse subject matter under review, but likewise the law and administrative functions they are required to evaluate. While the statute defines the length of a Board member's individual term, the Congress has never included nor intended for board members to be subject to a limit on the number of terms they can serve. Unfortunately, the Committee has become aware that USDA has instituted an arbitrary term limit policy on Board members that inhibits the individual members and the overall Board's effectiveness. The Committee strongly encourages the Secretary to reverse this policy.

Among the duties of the Board previously assigned was the responsibility to review and make recommendations on procedures for merit review of competitive grant proposals. The Committee has become aware that the USDA initially requested comments of the

NAREEEAB following enactment of the merit review requirement in 1998 but has never revisited the question. The Committee is concerned that the USDA has misunderstood the legal mandate for merit review and has included clarification that for purposes of this review, merit is to be equated with the relevancy of the research or extension project to the community it is meant to serve. The Committee envisions that the process of evaluating a grant application would start with scientific peer review, and those applications deemed to be of sufficient scientific quality would then be reviewed and awarded on the basis of merit and relevancy. The Committee has further required that the NAREEEAB consult with industry stakeholders in developing their guidance and that the USDA consult on an ongoing basis with the NAREEEAB to ensure that these reviews are functioning as intended.

The Committee recognizes the interest in growing agricultural commodities in less traditional production areas. As such, the Committee encourages the Secretary in consultation with the NAREEEAB, in both the intramural research carried out by the Agricultural Research Service and in the competitive grants programs carried out through AFRI and other authorities, to carry out and fund research into the unique situations facing producers in urban areas. These unique situations may include reclaiming land previously used for industrial purposes or neglected residential areas, and addressing needs such as the remediation of soils to make them capable of producing agricultural commodities for human consumption.

Veterinary services grant program

Our veterinary workforce is responsible for ensuring that the food we eat is safe, but they are facing a critical shortage in the public, private, industrial and academic sectors, and the problem is growing. Our Nation's large-animal vets are truly on the front lines of food safety, public health, animal health and national security. The demand for large-animal veterinarians is increasing, and lack of these specialists in many areas of the country will continue to put our agricultural economy and the safety of our food supply at risk.

Since the fall of 2000, the Committee on Agriculture has worked on ways of resolving the serious veterinary shortage problem confronting many rural communities. With the passage of the National Veterinary Medical Service Act in December of 2003, a program was finally authorized to incentivize large animal veterinarians to practice in communities that USDA designated as veterinarian shortage areas. With this program in place, large animal veterinarians are able to apply on a competitive basis for educational loan repayment assistance in exchange for their commitment to practice in shortage areas.

To the extent that the loan program is successful, it's important to consider that this was just the first step. While this assistance will be very helpful in attracting veterinarians to these communities, there remain gaps in veterinarian recruitment, attracting and training technical support staff, and simply meeting the long-term costs of operating veterinarian practices in these communities.

The Veterinarian Services Investment Act is meant to address these secondary needs and is designed to complement the loan repayment program to help large animal veterinarians become established in these rural communities.

This bill recognizes and addresses a real problem in rural America. This legislation will authorize grants to address workforce shortages based on the needs of underserved areas. For example, grants could be used to recruit veterinarians and veterinary technicians in shortage areas and communities. It could add veterinarians expanding and establishing practices in high-need areas. It could establish mobile portable clinics and televet services and establish education programs, including continuing education, distance education, and factor recruitment in veterinary science.

Grants and fellowships for food and agriculture sciences education

The Norman E. Borlaug International Agricultural Science and Technology Fellowship Program (Borlaug Fellowship Program) helps developing countries strengthen agricultural practices by providing scientific training and collaborative research opportunities to visiting researchers, policymakers, and university faculty. The Borlaug Fellowship Program has provided over 500 fellowships for agricultural professional from 64 developing countries worldwide. Currently, Fellowships can run from six to twelve weeks depending on research topic and funding availability. The Committee is concerned that the length of the fellowships currently offered may be too brief in term in some instances to provide real training and research opportunities. The Committee understands that a brief short term fellowship is an effective method to provide certain specific training and research opportunities. However, the Committee would urge the Secretary to modify the implementation of the program to also provide longer term training and collaborative research opportunities to address those instances where a long term fellowship would allow greater in depth training and research.

Extension research

The Cooperative Extension System is a nationwide, non-formal educational network. Each state, territory, and the District of Columbia has an office at its land-grant universities and a network of local or regional offices which are staffed by experts who provide practical, research-based education to agricultural producers, small business owners, youth, consumers, and others in rural and urban communities. The Committee encourages the Secretary to ensure that Cooperative Extension is effectively utilized to deliver the educational component of USDA programs. The Secretary is also encouraged to engage in discussions with other federal departments and agencies to consider ways to use the Cooperative Extension to deliver education for other federal programs as practicable.

Auditing, reporting, bookkeeping, and administrative requirements

The Committee is concerned about the increasing use of assessments, fees, and higher indirect costs rates imposed on its university partners by the Agricultural Research Service (ARS). These university partners play a major role in achieving ARS research priorities and objectives. In a time of scarce budgetary resources, ARS must ensure limited research dollars are maximized and ad-

ministrative costs are reduced to the fullest extent possible. In recent years, ARS has imposed a variety of administrative assessments on its university partners, effectively reducing funds intended for important research projects. The Committee expects ARS to operate within historical administrative cost parameters, namely by imposing a administrative cost cap not exceeding four percent. All administrative assessments, fees, dues, or charges, of any type, must be included within this overall administrative cost cap. ARS must administer its programs more efficiently to ensure valuable research funds are maximized so it may continue to maintain a robust agricultural research enterprise. The Committee encourages ARS to continue university research partnerships to ensure our nation's premier educational and clinical institutions play a major role in achieving ARS and congressional research objectives.

Matching funds requirement

The use of matching funds has proven to be an effective tool in leveraging limited Federal resources with commitments from those benefitting from agricultural research and extension. Unfortunately, the application of these policies by the U.S. Department of Agriculture (USDA) has been arbitrary and inconsistent.

Efforts by the Committee to develop a comprehensive policy on research and extension matching funds originated during the development of the 2008 farm bill. At the time, it was noted that as research programs have been authorized or modified, the incorporation of matching requirements was done in a subjective manner. An effort was initiated during the 2008 farm bill conference to harmonize the matching requirements, but due to the complexity of the task and time constraints, the effort was dropped with the understanding that the Committees and USDA would undertake a stakeholder process designed to provide recommendations in advance of the 2012 farm bill. Unfortunately that process never materialized after the 2008 bill.

The House Agriculture Committee has maintained an interest in engaging stakeholders in a discussion about how to harmonize these policies to improve consistency and transparency in their application. Several requests have been made for suggestions on how best to approach this issue and the consensus seemed to be that the Committee should propose a discussion draft. The language included in Committee legislation was the result of technical assistance received by the USDA and is meant to begin this discussion.

As part of the discussion that has already commenced, it is important to highlight what the provision does, as well as what it does not do.

The provision, once implemented would apply to competitive grants for extension or applied agricultural research. These grants would be subject to a 100 percent match of cash or in-kind support from any other source, but only if the grant is specific to a state or commodity. The Secretary would have the authority to waive the matching requirement if the grant is deemed to be a national priority using the process established for priority setting conducted as part of the statutory mandate of the National Agricultural Research, Extension, Education and Economics Advisory Board (NAREEEAB). The use of the NAREEEAB in this way is not with-

out precedent. Under the Organic Food Production Act, the authority of the Secretary to create a National List of approved and prohibited substances that shall be included in the standards for organic production and handling is limited to the advice of the National Organic Standards Board.

Current matching fund policies, such as that under the Agricultural and Food Research Initiative impose a requirement of a non-Federal match to commodity specific grants that are not of national scope, but under a plain reading of the law would apply to regional collaborative grants involving multiple States.

It is the intent of the Committee that the match policy allow for cash or support from "any" other source, including other federal funds. However, we are aware that under this statutory language such funds would have to be consistent with the purpose of both grants. As stated above, this language is meant to begin discussions on important issues surrounding a universal match policy.

The Committee is aware of both the difficulty in meeting these requirements and the inconsistency in which they are applied and has attempted to develop a policy that is reasonable, transparent and consistently applied across the universe of USDA competitive agricultural research and extension grant programs.

Repeal of National Agricultural Weather Information System

The Committee is aware that advanced weather forecasts using Tropospheric Airborne Meteorological Data Reporting (TAMDAR) systems have been used by the Federal Aviation Administration, the U.S. Weather Service, and the National Oceanic and Atmospheric Administration for over seven years. The Committee supports advanced forecasting employing TAMDAR in that it enhances U.S. and allied meteorological forecasting systems, thus providing improved reliability and situational awareness, which is particularly useful in agricultural forecasts. The Committee therefore encourages continued use of this system by the Department of Agriculture.

Regional Centers of Excellence

With limited resources to invest in critical programs, the Committee has considered multiple options by which Federal funds can be leveraged to improve overall program effectiveness. With the recognition that multiple institutions and organizations participate in projects of similar interest, the Committee has sought to incentivize the formation of formal partnerships and other organizational structures as Regional Centers of Excellence. The Committee reported bill directs that such centers that meet established criteria be granted priority in receipt of competitive research and extension grants.

The Committee would recommend USDA to promulgate regulations implementing section 1673 in accordance with appropriate regulatory procedures in order to allow interested stakeholders to gain a firm understanding of USDA's implementation of the provision.

Specialty Crop Research Initiative

The Committee is aware of concerns that the required merit review process under the Specialty Crop Research Initiative and

other competitive grants programs is not functioning as intended. Congress established the merit review requirement to ensure that grant applications that are of sufficient scientific quality as determined through a process of peer review shall then be evaluated and final awards be made based on the merit and relevancy of the grant request with respect to the constituency being served. In carrying out the merit and relevancy review process under the Specialty Crop Research Initiative, the Committee expects that the review and ranking for impact to be conducted by a panel of specialty crop industry representatives for the specific specialty crop. The Committee further encourages the Secretary to prioritize competitive grants to address imminent threats which may impact the future of specialty crop production in this country.

Competitive, Special, and facilities Research Grant Act

The Agriculture and Food Research Initiative (AFRI) is the premier competitive research and extension grants program within the USDA. The AFRI program was established in 2008 as a successor program to the National Research Initiative Competitive Grants Program and the Initiative for Future Agriculture and Food Systems. The statutory priorities for the AFRI program are purposefully broad. In developing these priorities, the Congress was aware that as science evolves, a balance needed to be achieved between the need for flexibility to respond to new and emerging threats and opportunities, and the need for transparency and accountability in the expenditure of taxpayer funds.

Concerns are periodically raised regarding the annual allocations among the various statutory programmatic priorities and sub priorities. The Committee was aware of these qualitative concerns but lacked quantitative information on which to base any policy modifications. As a continuation of the programmatic audit carried out by the Committee in preparation for developing the FARRM Act, the Committee requested USDA provide a listing of recent awards under the AFRI program sorted according the corresponding statutory priorities and sub priorities. USDA initially responded to the Committee that it had no means by which to track grants in relationship to the statutory authority upon which they are awarded. The Committee ultimately received a partial response to the oversight request after a delay of more than 3 months, but only days prior to consideration of the FARRM Act. The data reveal a dramatic shift in awards funding away from traditional areas of production agriculture. For instance, awards for research in plant systems dropped from 38.7% of available funds in fiscal year 2007, the final full year under of the predecessor programs, to 18.4% in 2011. Awards for research in animal systems fell from 22.4% to 9.4% over the same time period.

The Committee is concerned that the allocation of research and extension awards under the AFRI program is inconsistent with our national priorities. This same concern was raised by the Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies in their report for the fiscal year 2012 appropriations when the subcommittee stated that "over the past few years, numerous reports from Federal agencies and private philanthropic and scientific organizations have highlighted the need for the United States to invest in agricultural re-

search, particularly to ensure productivity growth and to develop and refine sound natural resources management practices for U.S. farmers and ranchers and others around the world. In light of this advice and the nation's serious budget deficit and debt problems, the agency should be focusing its research efforts on only the highest priority, scientifically merited research. While there are many interesting research topics and a multitude of issues that could be researched, the Committee expects the agency to focus on its core mission of agricultural research by setting a very high standard for research funded by the agency and requiring a rigorous peer review."

The Committee agrees with the concerns raised by the Appropriations Subcommittee and has included language related to the President's annual budget submission to both improve the transparency and the accountability for the funding administered by the USDA under AFRI and other competitive agricultural research and extension grants programs.

The Committee recognizes the importance of basic animal health research to support the farmed cervidae industry, and as such, supports research focusing on the development of viable strategies for the prevention, diagnosis, and treatment of infectious, parasitic and toxic diseases of farmed deer and the mapping of the deer genome.

The Committee recognizes the growing importance of and need for comprehensive and practical scientific and economic assessments of agricultural practices and technologies intended to improve agriculture's water quality and quantity performance. This is particularly the case as states work with producers on high priority or high profile water quality challenges. Such scientific and economic assessments are needed for the major crop producing regions of the country, taking into account soils, climate, crops grown, and the technologies and agricultural practices in use. The goal of such assessments should be to develop information and continue to build on the tools already in place. The assessments should continue to develop new and innovative approaches to help producers and policy makers in states understand what is affordable, achievable and sustainable for producers. The assessment can then he used to consider how different water quality policy choices relate to other important societal objectives involving agriculture. The Committee encourages the Secretary to initiate a multi-year effort to help the states and USDA continue to develop this base of science and knowledge through the funding of proposals from qualified institutions capable of supporting interdisciplinary teams of researchers and experts to carry out such efforts.

The Committee recognizes the success of the Conservation Effects Assessment Project (CEAP) and the cross collaborative approach between multiple agencies at USDA, and strongly encourages USDA to continue and expand on those efforts. The Committee does not intend for this provision to be a replacement for or duplication of CEAP, but rather as a source of sound, complementary economic and technical information that could be used in conjunction with CEAP to create more accurate assessments of the effects of prospective conservation measures on agricultural land.

The Committee recognizes that maintaining and enhancing wild rice, a uniquely American specialty crop, depends on continued use

of traditional breeding methods, along with the application of new genetic tools to make conventional breeding more efficient. Genetic analysis of shattering, disease resistance, reduced plant height, and other traits require not only development of new genetic markers for wild rice, but also new methods for gathering accurate phenotypic information on the plants. The use of these improved genetic resources in the future depends on their continued availability through reliable seed storage methods. Some research has been done on maintaining viability of stored seeds, but these need to be translated into reliable and useful methods at the local level to ensure breeding progress.

The Committee would hope that the Secretary would consider the following research objectives regarding wild rice genetic resources: preserving and enhancing wild rice breeding lines for testing and release as future varieties; developing phenotyping methods and genotypic markers for various traits; using genotypic and phenotypic information to identify superior genetic resources for breeding and to develop more efficient breeding methods; evaluating and maintaining the genetic distinctiveness of wild rice breeding lines and populations; and developing improved methods for short- and medium-term storage of wild rice breeding lines and populations.

Renewable Resources Extension Act of 1978

The National Association of University Forest Resources Programs (NAUFRP), (formerly the National Association of Professional Forestry Schools and Colleges) represents 69 of our nation's universities and their respective scientists, educators and extension specialists. NAUFRP's purpose is to advance the health, productivity, and sustainability of America's forests by providing university-based natural resource education, research, science, extension and international programs. The Committee would encourage USDA to engage in discussions with NAUFRP to ensure that their proposals for ecosystem services, invasive species management, and innovative biobased products are appropriately addressed.

Budget submission and funding

The Committee is aware of the need for the statutory priorities for the various agricultural research, education and extension programs to be written with sufficient flexibility so that the Administrators of the USDA research agencies can respond quickly and efficiently to emerging problems and opportunities. The Committee is equally cognizant of the need for taxpayer funds to be used in a transparent and accountable manner.

Recent changes that have occurred in Congressional appropriations procedures have empowered USDA bureaucrats to direct spending seemingly without regard to statutory priorities. Coupling the extraordinary spending discretion granted to the agencies with a lack of transparency relating to the priority setting process exposes these critical programs to allegations of waste, fraud and abuse.

As a follow up to a series of programmatic audits conducted by the Committee, a request was submitted for the Department to provide a listing of grants awarded by the USDA under one principal competitive grants program sorted according to the statutory

priorities for which the funding was appropriated. The Department was unable to provide this information for more than 3 months due to what was at the time a lack of ability by the Department to track program funding according to the authorized priorities.

A review of the data ultimately provided by the Department demonstrates a significant reduction in funding provided for research related to core production agricultural programs. The Committee reported bill does not significantly alter the priorities for the various competitive research and extension programs. Nor does the Committee draft adopt specific across the board set asides. In order to increase the ability of Congress to oversee funding allocations, the Committee reported bill instead creates a new requirement on the Secretary to provide transparency and accountability with regard to the research, extension and education budget. It is the intent of the Committee that USDA provide increasingly detailed spending plans to Congress in advance of the development of annual appropriations measures so that the legislature and interested constituencies can weigh the merits of these allocations against evolving priorities, and as a representative body the Congress can approve or disapprove of the proposed allocations.

Working cooperatively between the branches and fully involving interested stakeholders in the priority setting process will likely result in better understanding of the need and benefits of investment in agricultural research, extension and education programs.

Sun Grant program

The Committee reported bill directs the Secretary to utilize and leverage the investment, resources and capacities of the current regional Sun Grant Program Centers and Sub-center to continue their leadership and management of the regional Sun Grant competitive grants program.

Title VIII—Forestry

The Committee believes that healthy national, state, and private forests should be a high priority for the Department. Healthy forests are an important component of helping sustain fire-resistant communities and promoting economic health across rural America. The Committee reported bill reflects the priorities of the Committee by providing the Forest Service the tools necessary to improve forest management over the course of the bill.

Forest Service decision making process

The Committee reported bill includes language that clarifies that the Forest Service does not need to engage in a notice, comment, and appeal process for routine actions. This language came as a result of a federal court decision in March 2012 that the agency must engage in this process for noncontroversial actions such as planting trees after wildfire, trail maintenance, or one-time events such as races. The Committee believes this is a burdensome requirement for the Forest Service when no other federal agency is required to engage in a similar process. The Committee is also concerned that this requirement will have an adverse impact on rural economies by virtue of restricting the number of revenue-generating activities that may occur on National Forest lands.

Stewardship Contracting

The Committee provided the Forest Service with a four-year extension of authority to conduct Stewardship contracting. This approach to land management has proved effective nationwide since it was first authorized in 1999 and extended in 2003. Stewardship contracting allows the Forest Service to conduct important forest restoration work by allowing the value of wood removed to help offset the cost of needed restoration treatments, like forest thinning, introduction of prescribed fire, and habitat improvements for a variety of species. It is important to note that Stewardship contracting is not intended to replace the existing timber sale contract. Where there are robust wood markets, the Forest Service can frequently achieve its forest restoration and habitat goals simply by offering carefully designed timber sales. The Committee asks the Chief to work with purchasers of Forest Service timber to address concerns they have raised about methods of selecting the winning bidders on Stewardship contracts, and to provide feedback to losing bidders to help increase their understanding of the process to become more effective in the future. The Committee asks the Chief to include liability limitations for operations fires in all types of Stewardship Contracts and Stewardship Agreements. These liability limitations should be substantially similar to the protections in existing timber sale contracts.

Pine Bark Beetle

The outbreak of the pine bark beetle afflicting states across the nation is a great concern to the Committee. To date, an estimated 41 million acres have been affected, creating potentially hazardous fuel loads in several western states. The Committee reported bill includes provisions to provide the Forest Service with increased flexibility to address this issue and work with partners to mitigate the potential damage. The Committee wishes to clarify that the Secretary has the authority to designate critical areas at any point beyond the initial 60–day deadline specified in Sec. 8302. In reviewing the threat maps for designation of possible critical areas, the Secretary has the authority to treat those areas that are not immediately threatened by a disease outbreak in order to reduce the threat of future outbreak.

Forest Inventory and Analysis

The Forest Inventory and Analysis (FIA) program is the nation's only comprehensive forest inventory system for assessing the health and sustainability of the nation's forests across all ownerships. FIA provides essential data related to forest species composition, forest growth rates, and forest health data and is the baseline inventory estimate used in the State-wide Assessments and Strategies for Forest Resources. The program provides unbiased information that has immediate utility to foresters, landowners and many other users by serving as the basis for monitoring trends in wildlife habitat, wildfire risk, insect and disease threats, predicting spread of invasive species and for responding to contemporary forest issues such as estimating sustainable woody biomass supplies for renewable energy production, forest carbon inventories, and determining the timber supply available to support local mills and local jobs. The Committee recognizes the critical importance of the FIA pro-

gram and directs the Forest Service to place increased emphasis within the agency's Research and Development program to implement the strategic plan called for in Sec. 8401.

Forest Service Retired Employees

The Committee is concerned about the increasing number of retired Forest Service employees in recent years. Section 8402 included language to allow the Forest Service to hire retired employees under the Agriculture Conservation Experienced Services (ACES) program. The Forest Service will continue to see a large number of retirements in the comings years. Allowing the Forest Service to participate in the ACES program allows the agency to retain the institutional knowledge acquired through the years by these senior employees.

Title IX—Energy

The Committee continued the efforts of the 2002 and 2008 Farm Bills in drafting the energy title of the Committee reported bill. The Committee recognized rural America's important role in contributing to America's energy needs. The Committee focus in drafting the energy title was to continue to facilitate the establishment of new types of renewable energy feedstocks across rural America and to assist agriculture producers and rural small business to become more energy efficient.

With the exception of the Flexible Feedstock program, the programs under the energy title did not have a budget baseline beyond the expiration of the 2008 Farm Bill. Given the difficult budgetary decisions already affecting the drafting of a new bill, the Committee did not include mandatory funding for programs in the energy title. The Committee chose to keep the framework for renewable energy in place by reauthorizing several programs with discretionary funding and modifications to the underlying statutory authority. Despite the lack of mandatory funding, the Committee expects to see significant progress in the development of advanced biofuel feedstocks over the course of the Farm Bill.

BioPreferred Program

The Biobased Market Program is intended to stimulatethe production of new biobasedproducts and to energize emergingmarkets for those products. While the focus of the program is to promote new products and emerging markets, the program shall not create market disadvantages for certain biobased products relative to other biobased products. The Committee would hope that in its current rulemaking process, that mature markets for biobased products, including products made from forestry and cotton materials, are not put at a competitive disadvantage, particularly in comparison to products that may be imported into the United States. The Committee has heard concerns from a variety of sources within the forest products industry, including lumber producers, about their eligibility to participate in this program. And as such, the Committee reported bill amends the definition of a biobased product in order to clarify that forest products should be included in the Biopreferred program.

Rural Energy for America Program

The Committee reported bill amends the definition of a "renewable energy system" to clarify what is eligible for financial assistance under the Renewable Energy for America Program (REAP). The Department announced an initiative in October 2010 to assist in the installation of 10,000 blender pumps over a five year period. The intent of the program has been to promote energy efficiency and the production of renewable energy, rather than energy delivery. Therefore, blender pumps or other mechanisms to dispense fuel on a retail level are not a use of the program consistent with this purpose.

The Committee reported bill also streamlines the application process for REAP to create a three-tiered application process. The Committee believes that due to the wide range of projects funded under the program, those producers seeking smaller amounts of assistance should not be required to submit the same volume of information as those seeking larger amounts.

Biomass Crop Assistance Program

The Biomass Crop Assistance Program was reauthorized with modifications. The program as written in the 2008 Farm Bill was not implemented in a manner consistent with the Committee's vision. Initial estimates of the program projected spending of $70 million on the program over the course of the Farm Bill. However, approximately $924 million has been spent on the program through the end of FY 11. After issuance of the final rule in October 2010, the Committee believes the program is now being run in a manner consistent with Congressional intent. To ensure that the purpose of the program continued to be carried out, the Committee removed the authorization of payments for the collection, harvesting, storage, and transportation of eligible materials to a biomass conversion facility. The Committee intends that the purpose should be on the establishment of new crops, rather than funding existing crops.

Title X—Horticulture

Horticulture

Specialty crops—fruits, vegetables, tree nuts, and nursery plants—account for almost half of the domestic crop value in the United States.

The Committee believes that the specialty crop industry can be best served through Federal and State efforts that help producers increase their respective competitive positions through marketing, promotion, plant pest and disease pressures, and research programs. The FARRM Act builds upon the popular and successful programs established in the 2008 Farm Bill with this notion in mind. Expanding export markets and increasing access to locally produced products is a priority in the FARRM Act.

Specialty Crop Block Grant Program

The bill makes several changes to the Specialty Crop Block Grant program, which has been successful in enhancing the competitiveness of specialty crops by promoting increased consumption of fruits, vegetables, and nuts, fostering local and regional economic development, and enhancing research on specialty crops. The

FARRM Act increases funding for the Specialty Crop Block Grant program to $70,000,000 for each fiscal year. The Committee also adjusts the grant allocation formula in a manner that balances the value of specialty crops with the number of acres devoted to specialty crop production within states. The Committee directs both USDA and the states to limit the administrative funds at 3 and 8 percent respectively to capitalize on the funds available to growers.

The Committee recognizes the difficulty in coordinating and funding multi-state projects within the block grant program, and the Committee expects the USDA to issue guidance and work with states in making grants available for such projects. These multi-state projects may include food safety, research, plant pest and disease, and crop specific projects. These projects have the ability to link growers across state lines and promote much needed collaborative research. In the Secretary's guidance, effective multi-state collaborative research should not limit needed equipment and facilities if it is found they are essential to research advancements. Furthermore, multi-state projects may encourage the use of farm financial benchmarking, which can be used as a tool to provide financial training, management training, risk management training, and diversification and marketing strategies for all producers.

Plant Pest and Disease

To ensure the continued availability of funding for the important work of the National Clean Plant Network, the Committee has combined this program with the Pest and Disease program and increased baseline funding for both. The Committee expects that annual funding for the important work of the National Clean Plant Network will not be less than the level provided in FY2012 and may be provided to the Network without regard to the process for distributing funds to address the other provisions of Section 420 of the Plant Protection Act.

The Committee recognizes that Disease Management and Disaster Prevention Programs as previously authorized in the Food, Conservation, and Energy Act of 2008 includes imminent pressing and persistent threats from pests and disease, such as Citrus Greening, to agriculture production.

The Committee recognizes the importance of the Federal government, specifically the USDA, developing and maintaining the highest technological capability of identifying plant pests and invasive species. Further, the Committee believes that the advanced technological capabilities acquired through development of plant pest and invasive species detection technologies should facilitate the development of a coordinated, interagency response plan for the federal government to effectively mitigate plant pests and invasive species. The Committee encourages USDA to take the appropriate steps to facilitate information and technology sharing with other appropriate agencies of the Federal government involved in invasive species management such as Department of the Interior, Environmental Protection Agency, U.S. Coast Guard and the U.S. Army Corps of Engineers.

Farmers Markets

The Committee recognizes the growing interest among producers and consumers to provide and purchase locally-grown agricultural

products. The FARRM Act expands the Farmers Market Promotion Program to include food system infrastructure and increases funding for competitive grants to expand farmers markets and other direct-to-consumer market opportunities.

Olive Oil Marketing Order

The Committee has taken steps to permit the establishment of a marketing order for domestically produced olive oil. Should this marketing order be established, the Committee expects USDA, in conjunction with the U.S. Trade Representative's office, to ensure the marketing order is implemented in a manner that will not cause undue trade disruption.

Honey Standard of Identity

The Committee is concerned with the Food and Drug Administration's denial of the honey industry's 2006 citizen's petition calling for a federal standard of identity for honey. Consequently, the Committee directs USDA to submit a report to the Commissioner of the FDA on the importance of establishing such a standard. The Committee recognizes that inconsistent standards can cause confusion in the market place and legal challenges. The Committee instructs the USDA to take into consideration the honey industry's petition filed with the Food and Drug Administration.

Organics

Organic agriculture and its products continue to occupy a prominent place in the minds of American consumers. Recent surveys show that seventy-eight percent of U.S. families say they choose organic food, up from seventy three percent in 2009. Further, seventy-two percent of survey respondents say they are familiar with the USDA organic seal and its meaning.

Consumer confidence in the integrity of USDA National Organic Program (NOP) is fundamental to the continued growth of the organic sector. An essential element of strong consumer confidence is the ability of the NOP to efficiently administer enforcement actions against producers and handlers who violate NOP regulations.

The Federal Agriculture Reform and Risk Management Act strengthens the ability of the NOP to bring enforcement actions against violators of the NOP regulations by permitting the Secretary to administer oaths, affirmations, subpoena witness, compel their attendance, take evidence and require the production of records during the course of an NOP investigation. The Act also ensures due process is afforded to organic producers and handlers by affirming the right to judicial review of USDA orders suspending organic certification.

Importance of Biotechnology

Since its introduction in the late 1990's Agricultural biotechnology has been embraced by American farmers with 94% of soybeans, 88% of corn and 90% of cotton grown in the U.S. through varieties improved by modern biotechnology.

Currently, nearly two billion people in our global community are malnourished, and the need to sustain a rapidly growing global population places an imperative on finding ways to meet daily life needs in an environmentally sustainable way. According to the U.S.

State Department, it will be necessary to produce as much food in the next 50 years as was produced during the previous 10,000 years combined. Science and innovation in agriculture will be required to produce this amount of food, feed and fiber in an environmentally sustainable way. U.S. consumers must be assured of the availability of an adequate, wholesome and economical food supply.

The wide spread adoption of agricultural biotechnology has resulted in several environmental improvements. Because of no-till and reduced-till practices associated with the use of biotechnology crops, soil quality and carbon storage has improved, on-farm fuel use has declined, and greenhouse gas emissions have been reduced. In 2009, the aggregate environmental effect of these benefits was equivalent to removing of 17.7 billion kg of carbon dioxide from the atmosphere or removing 7.8 million cars from the road for one year.

Legal Challenges

The Committee is aware that many industry and academic experts agree that frivolous legal challenges have made the U.S. regulatory process for agricultural biotechnology products an impediment to the timely review and commercialization of valuable new products. While administrative reforms have been introduced at USDA in an effort to produce decisions better able to withstand procedural challenges in federal court, the Committee is concerned that expenditure of the limited resources available to the USDA should be based on the prioritization of risk, not responding to questionable procedural claims. The numerous oversight activities carried out by the Committee have all led to the conclusion that targeted legislation is needed to ensure advances in modern agriculture will be available in the future.

Opponents of technology filing lawsuits once agricultural biotechnology products are approved by USDA, claim that the Department experts have not conducted proper environmental analyses despite the rigorous environmental reviews conducted by USDA and the lack of evidence that previously approved crops are harmful to health or the environment. Lawsuits dramatically slow USDA's review of new products and cost the Department millions of dollars each year, slows down the entire process and stigmatizes the technology without any scientific basis. The delay in regulatory approvals creates uncertainty for farmers, researchers and companies.

Implications

Conducting extensive reviews of products with a history of safe use diverts scarce resources from higher priority applications. When researchers are prohibited from studying new technologies because of costs associated with regulation, it reduces farmer choice and threatens discoveries of scientific breakthroughs that could help feed a rapidly growing world population.

Other countries recognize the value of efficient agricultural biotechnology regulation. Brazil, for example, has accelerated its regulatory processes while continuing to rigorously evaluate environmental safety concerns. In a six-year period beginning with 2005, Brazil completed the review of 28 biotech crops and the USDA completed its review of 15. The average time to review a product in

Brazil is 27 months compared to the average time in the U.S. of 38.4 months (as of 2010). According to USDA, between 1992 and 1999, USDA, on average, took 178 days to complete a review of a biotech crop. Currently, that process takes two to five years. The Committee has acted to ensure that U.S. farmers and businesses are not at a competitive disadvantage when it comes to our foreign trading partners. Such a disadvantage makes it more difficult for the U.S. to grow a 21st Century bio-economy.

Legislation to Address Current Regulatory Review Process

The Committee has taken note of the enormous challenges confronting the current USDA review process for innovative new agricultural products and the serious hardships that prolonged litigation has had on growers and others who rely on the review to be efficient, transparent and science-based. The FARRM Act provisions are intended to address those challenges by consolidating the Secretary's review of potential adverse environmental effects and potential plant pest risk under one statute, the Plant Protection Act, with clearly defined time tables.

The Committee is likewise aware of potential procedural challenges brought against the USDA related to the issuance of confined field test permits for new and novel traits that meet well defined regulatory criteria. The Committee would like to reiterate that the purpose of confined field test permits authorized by the Secretary is to accumulate the information needed to properly assess potential environmental effects and plant pest risk at such time as a petition for nonregulated status is submitted for review by the Secretary.

The Committee recognizes that the regulations that would be in effect on the date of enactment of this subsection currently provide USDA flexibility to forego environmental assessments under certain circumstances through the use of categorical exclusions. As noted in International Center for Technology Assessment v. Johanns (473 F.Supp.2d 9) (D.D.C. 2007), generally, APHIS's regulations require environmental assessment preparation for field trials (7 C.F.R. § 372.5(b)(5)(i)). The regulations also set forth, however, a series of "categorically excluded actions" that do not require the preparation of an EA or EIS. These excluded actions include "[p]ermitting, or acknowledgment of notifications for, confined field releases of genetically engineered organisms and products." It is the intent of the Committee to preserve that flexibility and apply this Act's environmental analysis requirements only in the instances where the Department has previously determined that an environmental assessment or an environmental impact statement had been required. The Secretary would be expected to tailor the level of detail in the environmental analysis to the scope and complexity of the action under review.

The current environmental review process has proven to be very cumbersome. The Secretary must attempt to comply with a variety of different statutory requirements and regulatory procedures in order to address the likely environmental effects of actions taken under the Plant Protection Act. The amendment ensures that those environmental effects, including effects on threatened and endangered species, will be addressed in a consistent, timely manner under a single statutory mandate and set of procedures.

The Committee also presumes that the current regulatory definition of "organism" would be used as the basis for any new rulemaking; however, we intend to give the Secretary flexibility in this matter.

Failure To Meet Time Period

If the Secretary has failed to act on a petition within the requisite time period under paragraph (3), the Committee expects that, should the environmental analysis required under paragraph (1) not be completed on the date the organism is deemed not to be a plant pest by operation of law, the analysis will be completed within no more than 90 days after such date.

Background on Establishment of PRIA

The Pesticide Registration Improvement Act (PRIA) is a landmark law enacted on January 23, 2004. Congress reauthorized PRIA (now known as "PRIA 2") for another five years on October 9, 2007. The law is intended to provide additional resources for the Environmental Protection Agency's (EPA) registration activities and more predictable service for pesticide registrants.

PRIA created an entirely new paradigm for EPA to process applications for pesticide registrations and other related actions, including establishing specific timelines with corresponding fee schedules. Under PRIA 1, the Agency's Office of Pesticide Programs was required to process applications within timeframes specified for each of the 50 categories of registration actions. PRIA 1 also established specific fees for each of the 50 categories. Under PRIA 2, the number of categories increased to 140 and PRIA 3 would establish 189 categories.

PRIA legislation retained and increased the product maintenance fees that support reregistration and tolerance reassessment authorized under the Food Quality Protection Act. Pesticide registrants paid $110 million in maintenance fees during the authorization of PRIA (which expires in October 2012) and registrants are scheduled to pay $139 million in maintenance fees for the five year period to be covered by the proposed "PRIA 3."

PRIA established a prohibition against the collection of other registration fees (as distinct from registration service fees) authorized under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). PRIA also suspended the Agency's authority to collect tolerance fees which had been authorized by the Federal Food, Drug and Cosmetic Act (FFDCA).

Implications of Additional Fees Proposed by Administration

Since 1989, various White House administrations have sought to reinstate old and prohibited fees and the current administration is no exception. In Fiscal Year 2013, industry registrants have already agreed to revenues ranging from $31 million to $38 million for maintenance and registration service fees. For Fiscal Year 2013, the Office of Management and Budget (OMB) has proposed an additional $27 million in maintenance fees and an additional $24 million in registration service fees.

If these proposed fees are enacted, the revenue would go to the U.S. Treasury where it would be unavailable to EPA's Pesticide Program. Moreover, enactment of these fees would require amend-

ments to FIFRA and FFDCA, thus undermining the letter and intent of PRIA. Congress has repeatedly barred collection of increased fees proposed by OMB and rejected White House proposals to modify FIFRA and FFDCA accordingly. To enact pesticide fee increases beyond those authorized by PRIA would jeopardize the many gains in EPA's pesticide registration program to the many stakeholders that benefit from EPA's scientifically rigorous regulation of this industry.

EPA and USDA Coordination for Decisions on Plant Incorporated Protectants (PIPs)

Congress has previously directed the Administrator to expedite the review of reduced-risk pesticides, FIFRA Section 3(c)(10), 7 U.S.C. 136a(c)(10). In reauthorizing PRIA, the Committee is troubled by apparent inefficiencies in the EPA's registration process for two categories of reduced-risk pesticides: plant-incorporated protectants, both individual and combined trait products, and herbicides used over the top of herbicide-tolerant crops, both individually and in combination. Both categories of pesticide products involve a parallel, albeit independent, review of the relevant plant products by the Secretary under the Plant Protection Act and implementing regulations.

The Committee expects that the Administrator and the Secretary will coordinate and otherwise conduct their respective reviews in such a manner as not to cause any undue delay in action being taken on the particular application, petition or other request pending before them. Nor should any provision of PRIA be used to delay action by the Administrator on an application submitted under FIFRA without good cause shown.

Provisions Under "PRIA 3"

The following provisions are included in the third reauthorization of PRIA:

- extends the authority of EPA to collect maintenance fees until 2017;
- extends the prohibition on collection of other registration and tolerance fees to 2019 and 2017, respectively;
- establishes a small business cap;
- allocates funds for EPA to use for the enhancement and improvement of IT systems for the registration of pesticides and tracking of key information;
- amends the percentage of maintenance fees devoted to review of inerts and fast track amendments;
- increases registration service fees during the life of PRIA 3 by 2.5%;
- provides that the Administrator shall identify reforms in processing that would allow it to improve decision times beyond those provided for in the Act; and
- cites new schedule of decision review times.

"PRIA 3" Tables

The Committee includes in this report an Appendix that contains "PRIA 3" Tables with the applicable schedules of covered pesticide registrations applications and corresponding registration service fees and decision time review periods.

Pesticide Biological Opinions

The Committee has been made aware of the dramatically different views on approaches to assessing and managing potential risks to fish, wildlife and plant species between the Environmental Protection Agency (EPA) and the Fish and Wildlife Service and National Marine Fisheries Service (collectively, the Services). Consequently, these agencies disagree on fundamental legal and science policy matters related to their respective obligations under the Endangered Species Act (ESA) and the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). These scientific disagreements, along with inability to develop a sound and workable process for consultation under ESA, threaten public health, agricultural productivity, and global competitiveness with no commensurate benefit to threatened and endangered species.

FIFRA requires EPA to evaluate unreasonable risk of harm to human health or the environment (including fish, wildlife and "non-target" plants) before granting pesticide registrations or amendments to existing pesticide registrations.

FIFRA requires applicants for pesticide registration actions (registrants) to submit to EPA a robust set of scientific data to ensure the protection of the environment. EPA also considers other available data and has the authority to require additional data from pesticide registrants to ensure decisions are scientifically sound. EPA's Office of Pesticide Programs is uniquely staffed to critically evaluate the voluminous available data on the potential pesticide effects.

ESA provides for an additional level of scrutiny by requiring federal agencies, such as EPA, to consult with the Services on "agency actions" (such as a pesticide registration) that could impact threatened or endangered species or their critical habitats. As part of the consultation process, the Services issue a "biological opinion" which may recommend additional modifications or restrictions to "agency actions."

In the last decade, EPA has been sued to compel consultations with the Services for hundreds of products throughout the nation, and has agreed to do so. These lawsuits are "procedural" in nature citing a lack of "consultation" with the Services and rarely attack EPA's underlying analysis of the science-based record. Most importantly, however, such lawsuits divert precious government resources from actually protecting endangered species. Several of the lawsuits filed have resulted in Court-ordered "interim" restrictions on the use of critical pesticides. In January 2011, an activist group filed a suit against EPA involving more than 380 pesticides and 214 threatened or endangered species. A suit of this magnitude could seriously jeopardize agriculture and pest control activities in 49 states.

The EPA has made significant efforts to meet obligations under FIFRA and ESA, while the Services have produced biological opinions that many observers find grossly flawed, ignore pertinent data, and rely on outdated and irrelevant studies. Therefore, the five partial consultations conducted since 2002 have not been fully implemented. As a result, EPA has not found the Service's recommendations sufficiently based on sound science to compel registrants to adopt them.

This inability to resolve fundamental scientific issues at the heart of a consultation involving pesticides led EPA Administrator Lisa Jackson and the Secretaries of the United States Department of Agriculture, Department of Interior and Department of Commerce to recently ask the National Research Council (NRC) of the National Academy of Sciences (NAS) to provide guidance on six key scientific issues. This action, however, does not stop the litigation, nor will it impede courts from unilaterally imposing unwarranted pesticide restrictions. In a joint oversight hearing held on May 4, 2011, between the Committee's on Agriculture and Natural Resources, it became clear to many of the Committee's respective Members that the requested NRC study was incomplete and lacking in the scope necessary to critically review existing biological opinions in their entirety.

Response for Why Legislation Is Needed

Committee Members have therefore raised numerous concerns with the failure of the NRC study contract to include unbiased scientific peer review of the Services' biological opinions as well as an analysis of the technological and economic feasibility of the proposed "Reasonable and Prudent Measures" or "Reasonable and Prudent Alternatives".

To ensure the NRC study addresses the concerns raised by interested parties during the hearing, the Committee continues to strongly assert that the following scientific questions must be included in the NRC study to properly examine the numerous issues raised by the Services' biological opinions to date. Questions that the Committee has asked the agency to include in the NRC contract include:

The NAS recently provided guidance on evaluation of data quality for EPA Integrated Risk Information System (IRIS) evaluations. What criteria should the EPA and the Services be using in evaluating data for acceptability and relative quality in regulatory decision-making? How should decisions on data acceptability be documented?

A well defined weight-of-evidence framework would provide some structure and transparency to the objective assessment of information relied upon for regulatory decision-making. Is there a recommended framework for a "weight-of-evidence" approach for evaluation of all relevant available data and how should that framework be applied?

Were apparent incongruities or inconsistencies in available data appropriately addressed and clearly described in the Services' biological opinions? Were the implications of the inconsistencies considered in describing the uncertainty in the assessment?

Were the rationales used to support jeopardy or adverse modification determinations well-grounded in empirical observations? Have the Services clearly articulately the limitations and uncertainties associated with the effects determinations?

When worst-case assumptions are made, how should they be documented to make the level of conservatism apparent, consistent with Presidential memoranda?

Should uncertainty factors be reduced or eliminated as more recent empirical data are made available? If so, have the Services

adopted this principle in their effects determinations conducted to date?

Were the assumptions used to fill data gaps supported by empirical data, reasonable and clearly articulated?

Were the specific assumptions and inferences used to support jeopardy and adverse modification determinations plausible? That is, did the Services include an assessment of the a priori likelihood that critical assumptions and inferences would prove true if tested?

Where in the assessment process should the Services involve the expertise of other federal and state Agencies, as well as non-federal entities such as growers and other stakeholders, in the risk assessment process?

The problem formulation includes a description of the different stressors that are influential on species survival. How are considerations of key stressors for endangered and threatened species and the relative significance of their known or potential impacts incorporated into a jeopardy finding as part of the Biological Opinion?

How should consideration of key stressors inform the Reasonable and Prudent Measures (RPMs) or Reasonable and Prudent Alternatives (RPAs) suggested at the end of the consultation process? For example, if habitat loss is identified as the predominant factor impacting a species in question, how will measures to lessen impact include consideration of mitigation options that increase or improve habitat?

How should the Services consider the human health implications of the impact of proposed mitigation measures on mosquito population control efforts?

The Committee is likewise concerned that the scope of work of the NRC must cover direct and indirect economic impacts. Therefore, it is imperative that any review of these biological opinions be comprehensive in nature, and address the following issues pertaining to economic feasibility, consistent with 50 C.F.R. § 402.02 before moving forward with implementation of any pending or future biological opinions related to FIFRA registered products.

What factors should the Services consider to make the determination that proposals are "technologically feasible"?

What factors should the Services consider to make the determination that the proposals are "economically feasible"?

Can you recommend an appropriate framework for conducting a benefit-cost analysis (BCA) for determining and documenting economic and technical feasibility?

In addition to a BCA, a cost-effectiveness analysis (CEA) can provide a rigorous way to identify and evaluate options that achieve the most effective use of the resources available. Can you recommend an appropriate framework for conducting a CEA to evaluate a range of possible alternatives under consideration?

For both BCAs and CEAs how should the Services document and analyze important uncertainties associated with proposed RPAs? Furthermore, to what extent is it recommended that the Services provide a sensitivity analysis to reveal whether, and to what extent, the results of the analysis are sensitive to plausible changes in the main assumptions and inputs?

To what extent is it recommended that the Services identify and consider important ancillary benefits and countervailing risks related to proposed RPAs? (For example, potential reduction in habi-

tat resulting from changes in land management practices in response to proposed restrictions.)

Taken together, these questions represent a reasonable basis on which to achieve scientific consensus. The Committee urges the EPA, USDA and Services' to take such action as is necessary to amend, supplement or reinitiate the request to the NRC to ensure that their work, once completed will be thorough and defensible.

The Federal Insecticide, Fungicide, and Rodenticide Act

The Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA") is a regulatory statute that governs the sale and use of pesticides in the United States through the registration and labeling of such products. Its objective is to protect human health and the environment from unreasonable adverse effects of pesticides, taking into account the costs and benefits of various product uses. Pesticides regulated under FIFRA include insecticides, herbicides, fungicides, rodenticides, and other designated substances. The Environmental Protection Agency ("EPA") reviews scientific data submitted by chemical manufacturers on toxicity and behavior in the environment to evaluate risks and exposure associated with a product's use.

FIFRA prohibits the sale of any pesticide unless it is registered and labeled indicating approved uses and restrictions. It is a violation of Federal law to use such a chemical in a manner that is inconsistent with the label instructions. If a registration is granted, EPA makes a finding that the chemical 'when used in accordance with widespread and commonly recognized practice it will not generally cause unreasonable adverse effects on the environment.' (7 U.S.C. 136a(c)(5)(D)). EPA then specifies the approved uses and conditions of use of the pesticide, and this is required to be explained on the product label.

The Clean Water Act

The objective of the Federal Water Pollution Control Act (commonly known as the "Clean Water Act" or the "CWA") is to restore and maintain the chemical, physical, and biological integrity of the nation's waters. The primary mechanism for achieving this objective is the CWA's prohibition on the discharge of any pollutant without a National Pollutant Discharge Elimination System ("NPDES") permit. EPA has the authority to regulate the discharge of pollutants either through general permits or through individual permits. NPDES permits specify limits on what pollutants may be discharged from point sources and in what amounts. Under the CWA, 47 states and territories have been authorized to implement NPDES permits and enforce permits. EPA manages the Clean Water Act program in the remaining states and territories.

NPDES permits are the basic regulatory tool of the CWA. EPA or an authorized state may issue compliance orders, or file civil suits against those who violate the terms of a permit. In addition, in the absence of Federal or state action, individuals may bring a citizen suit in United States district court against those who violate the terms of an NPDES permit, or against those who discharge without a valid permit.

Litigation

In over 30 years of administering the CWA, EPA had never required an NPDES permit for the application of a pesticide, when the pesticide is applied in a manner consistent with FIFRA and its regulations. While the CWA contains a provision granting citizen suits against those who violate permit conditions or those who discharge without an NPDES permit, FIFRA has no citizen suit provision. As a result, beginning in the late 1990s, a series of citizen lawsuits were filed by parties, contending that an NPDES permit is necessary when applying a FIFRA-regulated product over, into, or near waterbodies. These cases generated several Court of Appeals decisions that created confusion and concern among pesticide users regarding the applicability of the CWA with regard to pesticide use.

As the litigation continued, concern and confusion grew among farmers, forest landowners, and public health officials, prompting EPA to issue interim, and later final, interpretive guidance in August 2003 and January 2005, and then to undertake a rulemaking to clarify and formalize the Agency's interpretation of the CWA as it applied to pesticide use. The EPA rule was finalized in November 2006 (71 Fed. Reg. 68483 (Nov. 27, 2006)), and was the culmination of a three year participatory rulemaking process that began with the interim interpretive statement in 2003 and involved two rounds of public comment.

The 2006 EPA rule codified EPA's long-standing interpretation that the application of chemical and biological pesticides for their intended purpose and in compliance with pesticide label restrictions is not a discharge of a "pollutant" under the CWA, and therefore, that an NPDES permit is not required. The rule clearly defined specific circumstances in which the use of pesticides in accordance with all relevant requirements under FIFRA is not a CWA "discharge of a pollutant," explaining in detail the rationale for the Agency's interpretation.

When the rule was finalized, environmental groups, as well as farm and pesticide industry groups, filed petitions for review of the rule in several Federal Circuit Courts of Appeal. The petitions were consolidated in the Sixth Circuit. The Sixth Circuit ultimately vacated the rule on January 7, 2009 in *National Cotton Council* v. *EPA* (553 F.3d 927; hereinafter, National Cotton Council), concluding that the final rule was not a reasonable interpretation of the CWA's permitting requirements. The court rejected EPA's contention that, when pesticides are applied over, into, or near waterbodies to control pests, they are not considered pollutants as long as they comply with FIFRA, and held that NPDES permits are required for all pesticide applications that may leave a residue in water.

EPA estimated that the ruling would affect approximately 365,000 pesticide applicators that perform some 5.6 million pesticide applications annually. The court's decision, which would apply nationally, was to be effective seven days after the deadline for rehearing expired or seven days after a denial of any petition for rehearing. Parties had until April 9, 2009 to seek rehearing.

On April 9, 2009, the government chose not to seek rehearing in the National Cotton Council case. The government instead filed a motion to stay issuance of the court's mandate for two years to pro-

vide EPA time to develop an entirely new NPDES permitting process to cover pesticide use. As part of this, EPA needed to propose and issue a final NPDES general permit for pesticide applications, for states to develop permits, and for EPA to provide outreach and education to the regulated community. Industry groups filed a petition seeking en banc review, asking the full Sixth Circuit to reconsider the decision from the three-judge panel.

On June 8, 2009, the Sixth Circuit granted EPA a two-year stay of the court's mandate, in response to their earlier request. The Sixth Circuit denied the industry groups' petition for rehearing in August 2009. The court-ordered deadline for EPA to promulgate a new permitting process for pesticides under the Clean Water Act was April 9, 2011. On March 3, 2011, EPA filed another request for an extension with the court. On March 28, 2011, the Sixth Circuit granted an extension through October 31, 2011. The Court's extension only temporarily postponed the need for an NPDES permit for pesticide use, and did not obviate the need for this legislation.

Two petitions were filed with the U.S. Supreme Court in December 2009 by representatives of the agriculture community and the pesticide industry, requesting that the U.S. Supreme Court review the National Cotton Council case. A number of parties, including numerous Members of Congress, filed amicus briefs with the U.S. Supreme Court, in support of or opposition to the petitions. On February 22, 2010, the U.S. Supreme Court denied the petitioners' request without comment.

EPA development of a new permitting process to cover pesticide use

EPA continued to move ahead and developed a new NPDES permitting process to cover pesticide use, and on October 31, 2011, EPA issued a final NPDES Pesticide General Permit for point source discharges from the application of pesticides to waters of the United States. The permit covers four pesticide uses: (1) mosquito and other flying insect pest control; (2) aquatic weed and algae control; (3) aquatic nuisance animal control; and (4) forest canopy pest control. It does not cover terrestrial applications to control pests on agricultural crops or forest floors, and does not cover activities exempt from permitting under the CWA (irrigation return flow, agricultural stormwater runoff) and discharges that will require coverage under an individual permit, such as discharges of pesticides to waterbodies that are considered impaired under CWA Sec. 303(d) for that discharged pesticide. This general permit provides coverage for discharges in the states where EPA is the NPDES permitting authority. In the remaining states, the states are authorized to develop and issue the NPDES pesticide permits.

Implications

The Committee has received testimony and other information on the implications of the Sixth Circuit's holding in the National Cotton Council case, and the new permitting process that EPA has had to develop under the CWA as a result of that holding, on state and local agencies, mosquito control districts, water districts, pesticide applicators, agriculture, forest managers, and other stakeholders. On February 16, 2011, the Subcommittee on Water Resources and Environment of the House Committee on Transportation and Infra-

structure held a joint hearing with the Nutrition and Horticulture Subcommittee of the House Committee on Agriculture to consider means for reducing the regulatory burdens posed by the case, *National Cotton Council* v. *EPA* (6th Cir. 2009), and to consider related draft legislation.

Despite being limited to four categories of pesticide uses, EPA's new general permit for covered pesticides stands to be the single greatest expansion of the permitting process in the history of the NPDES program. EPA has estimated that it can expect approximately 5.6 million covered pesticide applications per year by approximately 365,000 applicators—virtually doubling the number of entities currently subject to NPDES permitting. (U.S. EPA, Fact Sheet for 2010 Public Notice of: Draft National Pollutant Discharge Elimination System (NPDES) Pesticides General Permit (PGP) for Discharges from the Application of Pesticides to or over, including near Waters of the U.S., at 14, available at *http://www.epa.gov/npdes/pubs/proposedXpgpXfs.pdf.*)

With this unprecedented expansion comes real and tangible burdens for EPA and the states that will have to issue the permits, those whose livelihoods depend on the use of pesticides, and even everyday citizens going about their daily lives.

EPA has said that they will be able to conform the current process to meet the Sixth Circuit's mandate. Even so, much of the responsibility of developing and issuing general permits falls on the states. Forty-five states (and the Virgin Islands) are now facing increased financial and administrative burdens in order to comply with the new permitting process. In a time when too many states are being forced to make difficult budgetary cuts, the nation cannot afford to impose more financial burdens.

The expanded permitting process also imposes enormous burdens on pesticide users who encompass a wide range of individuals from state agencies, city and county municipalities, mosquito control districts, water districts, pesticide applicators, farmers, ranchers, forest managers, scientists and others. The new and duplicative permitting process is increasing both the administrative difficulty and costs for pesticide applicators to come into compliance with the law. Compliance no longer means simply following instructions on a pesticide label. Instead, applicators have to navigate a complex process of identifying the relevant permit, filing with the regulatory authority a valid notice of intent to comply with the permit and having a familiarity with all of the permit's conditions and restrictions. Along with increased administrative burdens comes an increased monetary burden. Estimates are that the cost associated with the EPA permit scheme to small businesses could be as high as $50,000 per business, annually.

In addition to the costs of coming into compliance, pesticide users are subject to an increased risk of litigation and exorbitant fines. Applicators not in compliance face fines of up to $37,500 per day per violation, not including attorney's fees. Given the fact that a large number of applicators have never been subject to NPDES and its permitting process, even a good faith effort to be in compliance could fall short. Moreover, the CWA allows for private actions against individuals who may or may not have committed a violation. Thus, while EPA may exercise its judgment and refrain from prosecuting certain applicators, they remain vulnerable to citizen

suits. Unless Congress acts, hundreds of thousands of farmers, foresters, and public health pesticide users will remain under the constant threat of lawsuits, now that the Sixth Circuit's April 9, 2011 deadline has passed.

It is not only pesticide regulators and applicators who are being affected by the new permitting requirements. Rather, the Sixth Circuit's decision is affecting everyday citizens, who rely on the benefits provided by pesticides and their responsible application. Pesticide use is an essential part of agriculture. Imposing a burdensome and duplicative permitting process on our nation's farmers threatens their ability to continue to provide the country with a safe and reliable food supply. Many family farmers and small applicators lack the resources to ensure compliance with a cumbersome and detailed permit scheme. Moreover, for those farmers who are able to comply, delays that are inherent in permitting schemes are ill-suited for prompt pest control actions necessary in agriculture. Failure to apply a pesticide soon after a pest is first detected could result in recurring and greater pest damage in subsequent years if a prolific insect were to become established in plant hosts. The Secretary of Agriculture, Hon. Thomas J. Vilsack, has said that a permitting system under the CWA for pesticide use "is ill-suited to the demands of agricultural production." (Letter, Hon. Thomas J. Vilsack, Secretary of Agriculture, to Hon. Lisa P. Jackson, Administrator, U.S. Environmental Protection Agency, Subject: *The National Cotton Council of America, et al.*, v. *United States Environmental Protection Agency* (Mar. 6, 2009)).

Forest landowners also stand to suffer under the new permit scheme. EPA's permit scheme stands to result in a reduction in the use of forest pest control as a forest management tool, resulting in the acceleration of tree mortality and general decline in overall forest health. It also is erecting barriers for the control of pests, such as Gypsy Moth and Forest Tent Caterpillar. This may result in a higher incidence of preventable tree kills and defoliated landscapes.

The Committee also recognizes the importance of the aerial application of pest control tools. These tools are useful not only to ensure overall food safety and food security, but also to promote public health through improved mosquito control techniques. The ARS Aerial Application Technology Program conducts innovative research making aerial applications more efficient, effective, and precise. This program has yielded more effective public health control programs, as well as increased efficiencies and greater crop production. Research for aerial application serves the public interest as a vital tool for the future.

Finally, the Sixth Circuit's holding could have significant implications for public health. The National Centers for Disease Control officially recognizes the following as a partial list of mosquito-borne diseases—Eastern Equine Encephalitis, Japanese Encephalitis, La Crosse Encephalitis, St. Louis Encephalitis, West Nile Virus, Western Equine Encephalitis, Dengue Fever, Malaria, Rift Valley Fever, and Yellow Fever. (Centers for Disease Control and Prevention, *http://www.cdc.gov/ncidod/diseases/listXmosquitoborne.htm.*)
EPA's permit program poses the possibility of critical delays in emergency responses to insect and disease outbreaks and stands to divert resources from controlling environmental pests to litigation and administrative burdens.

Development of legislation in response to the Sixth Circuit decision

As a result of concerns raised by Federal, state, local, and private stakeholders regarding the interrelationship between FIFRA and the CWA and the concerns posed by the new and duplicative permitting process under the CWA, the House Committee on Transportation and Infrastructure and House Committee on Agriculture sought technical assistance from EPA to draft very narrow legislation targeted only at addressing the Sixth Circuit's holding in National Cotton Council and return the state of pesticide regulation to the status quo—before the courts got involved. The Provisions of Section 10017 are based on the technical assistance that EPA provided to the Committees, and is intended to be consistent with EPA's final rule from November 2006. The bill amends FIFRA and the CWA to eliminate the requirement of an NPDES permit for applications of pesticides authorized for sale, distribution, or use under FIFRA.

Sulfuryl Fluoride

On May 1, 2012, EPA published a Federal Register notice *77 Fed. Reg. 25661* requesting additional comment on several issues raised during the agency's January 19, 2011, request for comments on the proposed tolerance revocation and stay request for the pesticide sulfuryl fluoride. In its latest request, EPA asked the public to provide additional information on several issues that were raised by commenters on EPA's earlier proposal, including certain legal issues regarding the implementation of Federal Food, Drug, and Cosmetic Act section 408 and factual issues regarding the availability of alternatives to sulfuryl fluoride and impacts that would result if it were no longer available as a fumigant.

The Committee appreciates the EPA's efforts to come to terms with what the Agency admits are "the unusual circumstances" surrounding the application of certain risk assessment policies in a situation where the vast majority of exposure results from fluoride sources other than sulfuryl fluoride, including naturally occurring sources. The current proposal continues however to cast doubt over the use of an important pesticide that, with the strong encouragement of the EPA, was adopted by the agriculture and food industries. The Committee is concerned that the reluctance to use sulfuryl fluoride by producers and related businesses during a lengthy administrative process may contribute to higher food costs and pose considerable challenges to maintaining food safety. For that reason, the Committee urges the EPA Administrator to withdraw the proposed order until such time as the relevant legal and factual issues have been resolved.

Title XI—Crop Insurance

Over the course of the past 20 years, the United States has gone from ensuring 83 million acres to 264 million acres, a 218 percent increase. Over that same period, the value of production protected by crop insurance has risen from roughly $11.3 billion in 1992 to $113.5 billion in 2011. Vast improvements in crop insurance over the past 20 years have resulted in growers taking up this tool as the cornerstone of their risk management strategy. With crop in-

surance, farmers have "skin" in the game, paying in a record $4.5 billion in crop insurance premiums in 2011.

Through several audit, field, and Washington-based hearings in preparation for writing the farm bill—along with countless meetings with farmers and farm groups—the resounding message the Committee heard was that we should do no harm to crop insurance.

The Committee heeded the message of not harming crop insurance and has used the opportunity to make several improvements, building on the tool that has become the cornerstone of the risk management framework for our nation's farmers.

Information sharing

The Committee recognizes that many of the errors discovered in the delivery of crop insurance are due to the agent or the approved insurance provider not receiving information from the Farm Service Agency or not receiving that information in a timely manner. The Committee expects the Department of Agriculture to ensure that the Farm Service Agency (FSA) shares information with agents and approved insurance providers (AIPs) in a timely manner to ensure effective coverage for producers and to reduce errors.

Publication of information on violations of prohibition on premium adjustments

The Committee has consistently sought to enjoin rebating under federal crop insurance. The Committee remains concerned about inadequate enforcement, as well as overly broad interpretations of the very limited exceptions that have been statutorily granted. The Committee expects the Department to enhance enforcement efforts, give the narrowest application to the exceptions granted, and to publish violations as required by this section in order to provide clear guidance on what is permissible under the statute. That being said, finite enforcement resources and judgment require the Department to focus on activities that are serious and plain violations rather than discovering "rebates" in long-standing business practices that have, heretofore, existed in harmony alongside anti-rebating rules without a detrimental effect on crop insurance.

Supplemental Coverage Option

The Committee recognizes that budget conditions have greatly limited the resources available under Title I of the Farm Bill and that this requires the Department to use authorities granted under the Federal Crop Insurance Act to help fill at least a part of the void. The Supplemental Coverage Option (SCO), which statutorily requires that producers be allowed to supplement individual yield or revenue policies with area-based yield or revenue policies on the same acreage, is an essential part of this effort and, as such, must be made available for the 2013 crop year for all producers in all counties seeking such coverage.

The Committee understands that the Department has cited limited data as a possible reason to delay availability in certain counties and for certain crops. However, the Committee observes that this section and section 11008 of this Act greatly enhances the Department's capacity to gather and use the necessary data for timely implementation for the 2013 crop year. The Committee particularly

expects that SCO will also be implemented for the 2013 crop year for crops that have a history of low participation and coverage levels under crop insurance, including rice and peanuts in all counties where these crops are produced. The Committee encourages the Department to work to ensure that price discovery issues do not impede availability of SCO to any producer, including producers of medium grain rice.

Finally, the Committee would note that the Federal Crop Insurance Act is a broad grant of statutory authority which already authorizes SCO even without the express grant now provided under this section. The Committee is concerned that specific legislation is frequently required to address producer needs that could and should be met under the general grant of authority and urges the Department to exercise its authority to meet producer needs under this general grant rather than wait for Congress to require it. This is both in the interest of producers and to ensure that the broad, organic statute does not become a patchwork of specific requirements.

The Committee also expects that the Department will approve margin coverage in time for the 2013 crop year and specifically grants legal authority to offer such coverage under the Act.

The Committee would note in this instance as well as in the case of SCO that such legal authority already exists without the express approval of margin coverage under this section. Moreover, the Committee is concerned that the Department is applying the limitations imposed under the Federal Crop Insurance Act, generally, on the development of new policies under section 508(h) of the Federal Crop Insurance Act when the Act expressly instructs the Department not to do so. Section 508(h)(2) specifically excuses section 508(h) submissions from limitations generally applicable under the statute, yet the Department has applied these limitations nevertheless. The Committee expects the Department to give meaning to the statutory instruction that "a policy or other material submitted to the Board under this subsection may be prepared without regard to the limitations contained in this subtitle" without the need for a statutory restatement. Finally, the Committee expects that a producer may purchase additional coverage, margin coverage, and SCO on the same acreage since margin coverage is meant to be a supplement to additional coverage.

Repeal of performance-based discount

The Committee notes that any number of discounts or rebates have been tested in previous years and have failed. Amendments to the statute made in this Act and previous Acts have largely eliminated the authority for discounts and rebates and the inequities on produces and increased burdens on delivery that these schemes tend to generate. For this reason, the Committee expects the Department to avoid the expansion of activities operating under any authorities that remain.

Permanent Enterprise Unit Subsidy

The Committee would observe that the Department has the authority to carry out the enhanced premium support of Enterprise Units without the express authority the Committee now grants in this section. The Committee expects the Department to continue to

carry out the enhanced premium support of Enterprise Units in a manner that makes such an election at least as cost-effective to producers as it was prior to enactment of this legislation.

Enterprise Units for Irrigated and Non-Irrigated Crops

The Committee restates that authority already exists to achieve this important goal for producers and expects the Department to implement this section in time for the 2013 crop year as required by this amendment to the statute.

Data collection

The authority granted under this section is to ensure, among other things, that SCO and the Stacked Income Protection Plan for Upland Cotton (STAX) are offered in all counties for the 2013 crop year.

Adjustment in actual production history to establish insurance yields

The Committee intends to reduce the double deductible producers face due to actual deductibles and those unintended deductibles created by artificially low Actual Production Histories (APHs). The Committee urges an aggressive effort to address this problem through the use of the authorities under this section and other authorities, including through a greatly expanded use of personal T-Yields and other effective approaches.

Submission and approval of pilot programs and other policies

For the same reason, the Committee elected not to make changes to the private submission process established under section 508(h) of the Federal Crop Insurance Act in order to foster the greatest possible flexibility in the development of policies that will effectively serve producers. The Committee expects that a revenue policy for peanut producers as well as margin coverage and downed rice coverage for rice producers will be made available to producers in time for the 2013 crop year. The Committee further expects the Department to approve the separating of enterprise units by risk rating so that such enterprise unit coverage is available in time for the 2013 crop year.

Equitable relief for specialty crop producers

The Committee recognizes that specialty crop contracts were especially and unfairly impacted by the Standard Reinsurance Agreement (SRA) and provides $41 million for each of the 2011 through 2015 reinsurance years in order to mitigate the adverse impacts. With respect to future reinsurance years to which this section applies, the Committee intends that the additional amounts provided to approved insurance providers be paid to agents at the same time as amounts paid pursuant to the "soft cap" on administrative and operating expenses.

The Committee further intends that the disbursements made under this section be paid without regard to the conditions imposed on the payment of administrative and operating expense amounts above the "soft cap." Finally, the Committee expects the Department to ensure that amounts made available with respect to previous or current reinsurance years are disbursed by approved in-

surance providers to agents in a manner consistent with payments made in those years under the "soft cap."

The Committee underscores that the provision of this equitable relief does not in any way provide statutory assent to the administrative imposition of limits on administrative and operating expenses or compensation to agents under the SRA.

Budget limitations on renegotiation of the standard reinsurance agreement

The Committee expects the Department to negotiate budget neutral Standard Reinsurance Agreements. To the extent that there are any savings from such an agreement, such savings must be used to increase premium assistance to producers, enhance administrative and operating expense reimbursement to ensure effective delivery, or fund pilot programs. The Committee notes the extraordinary cuts made in the last SRA, much through administratively imposed restrictions on administrative and operating expense reimbursement and on agent compensation although authority for such restrictions is not to be found in statute. While the statute is broad, it expressly states administrative and operating expense reimbursement rates, and had never before been construed to authorize government intervention into private contracts between approved insurance providers and agents.

The Committee recognizes the covenants not to sue over these provisions, imposed on approved insurance providers who are privy to a contract with the federal government and on agents who are not privy to contract, as an acknowledgement by the Department of these issues. The Committee expects that the Department will consult the committees of jurisdiction more closely in future negotiations of the SRA, correct the overreaches of the 2011 SRA, and consult with agent representatives in such negotiations given the impact the SRA now has on agents both in terms of finances and workload. The Committee also recognizes that agents are the eyes and ears of crop insurance on the ground and encourages the Department to involve agents in the promulgation of rules, regulations, and policies of crop insurance in order to preempt program vulnerabilities before they occur.

Crop production on native sod

The Committee considered this issue carefully and opted to confine the section's reach to the Prairie Pothole National Priority Area. The section contains prescriptive requirements and also broader authority to effectuate its purpose. The Committee expects the Department to exercise any discretion it may have in carrying out this section in a manner that is balanced and not overly onerous on producers.

Coverage levels by practice

The Committee expects the Department to allow producers to elect different coverage levels by irrigation practice beginning with the 2014 crop year as provided for in this section. However, the Committee encourages the Department to implement this section earlier if practicable.

Beginning farmer and rancher provisions

The Committee expects the Department to carry out this section in a manner that imposes minimal burden on beginning farmers and ranchers, producers, approved insurance providers, and agents.

Stacked income protection plan for producers of upland cotton (STAX)

In order to address a World Trade Organization (WTO) dispute, U.S. cotton policy is fundamentally altered under the provisions of this Act, sharply limiting cotton producer support under the commodity title to the marketing loan. The Committee expects such coverage to be offered to all cotton producers in all counties in time for the 2013 crop year. The section would provide the bulwark of risk management for cotton producers through crop insurance and so this section's implementation in 2013 is essential. Provisions in this section and section 11008 enable the Department to implement this policy for cotton producers in a timely manner. The Committee expects the Corporation to cover the costs of that portion of indemnities attributable to the reference price.

Peanut revenue crop insurance

The Committee expects the peanut revenue policy required under this section to be made available in time for the 2013 crop year. With substantially declining support under the commodity title, producers are expected to assume greater responsibility in managing price and production risks on the farm. In order to achieve this, all producers of all crops in all regions need access to risk management tools that they can purchase that are cost-effective on their operations.

Authority to correct errors

The Committee views the sharing of information required under section 11001 and the authority to correct errors as key components to ensuring that producers have effective coverage in place at the time of a loss and to protecting program integrity. The Committee expects the Department to implement this section in a manner that does not eliminate any authorities or practices preexisting the enactment of this Act that permit the correction of errors but rather as additive authority.

The Committee relied heavily upon the Department for its drafting and policy expertise in crafting this section, the spirit of which is intended by the Committee to allow the correction of unintentional errors to the maximum extent practicable. Neither program nor producer is served if coming forward with unintentional errors is punished as it may chill attempts at correction while leaving the producer without coverage if and when the error is discovered.

Implementation

The Committee expects the Department to work closely with the FSA, the RMA, approved insurance providers, and agent and producer representatives in developing any acreage report streamlining initiative project to ensure that the best interests of the producer are served.

Research and development priorities

The Committee expects the Department to make the development of policies that increase the participation of underserved commodities a priority, particularly policies serving sweet sorghum, biomass sorghum, rice, peanuts, and sugarcane.

Additional research and development contracting requirements

The Committee expects the Department to develop effective margin coverage for catfish producers and further emphasizes the need for the development of policies that effectively serve energy-dedicated biomass sorghum and sweet sorghum, as is required under this Act.

Pilot programs

The Committee expects this provision to further remove unnecessary impediments to the initiation of pilot programs designed to test the effectiveness of risk management tools for producers.

Noninsured crop assistance program (NAP)

The Committee is concerned that the improvements to NAP not impede the development of crop insurance policies for crops served by NAP. The Committee affirms the goal of developing effective crop insurance policies for all producers, crops, and regions so that producers meaningfully pay for the risk management coverage on their operations. Reliance on NAP should be a last resort.

The Committee recognizes the need for NAP to provide financial assistance to producers of non-insured crops, such as fern fronds, when low yields, loss of inventory, or prevented planting occurs due to natural disasters. With respect to NAP coverage, the Committee expects the inventory values of fern fronds to be counted separately from rooted fern plants.

Title XII—Miscellaneous

Mandatory Country of Origin Labeling Report

On June 29, 2010 the World Trade Organization finalized the ruling on Canadian and Mexican challenges to the United States' mandatory country of origin law with respect to beef and pork. The decision was adverse to elements of mandatory country of origin labeling. A question remains as to whether or not the issue can be resolved administratively or require changes in the statute. The Committee expects that the Secretary will report to Congress how the Administration will bring the Administration into compliance with this decision. The Committee does not intend this provision to presuppose that determination.

GIPSA

The Committee addresses regulations prompted by Section 11006 of the Food, Conservation, and Energy Act of 2008, which were proposed by the U.S. Department of Agriculture on June 22, 2010 and titled "Implementation of Regulations Required Under Title XI, of the Food, Conservation and Energy Act of 2008". On July 20, 2010, the Livestock, Dairy & Poultry Subcommittee of the House Committee on Agriculture conducted a hearing on Farm Bill programs under its jurisdiction administered by USDA. During the hearing

a broad array of concerns were expressed by Members of the Committee. Members asserted that the proposed rule went far beyond the scope of the Farm Bill, lacked a sound economic analysis necessary to judge both the need and utility of the proposed rule and may have been the result of a flawed rulemaking process.

On October 1, 2010, 115 Members of the House wrote the Secretary of Agriculture requesting a cost benefit analysis that has yet to be conducted. On April 6, April 13, and May 4, 2011 the Livestock, Dairy & Poultry Subcommittee conducted hearings on the beef, pork, and poultry sectors respectively. During these hearings, representatives from the beef, poultry and pork sectors testified about the challenges facing their communities, including the proposed GIPSA regulation. On May 18, 2011, 147 Members wrote the Secretary requesting him to withdraw the rule and repropose with an economic analysis.

The FY 2012 Agriculture Appropriations, H.R. 2112, contained Section 721 barring USDA work on major portions of proposed rule. The Appropriations Committee-reported appropriations for FY 2013, H.R. 5973, contains Section 719, barring USDA action on these same components of the proposed rule and repealing three items on which the Administration had completed rulemaking.

The Committee asserts that the Packers and Stockyards Act has an important role to play in our livestock markets. That said, the Committee continues to express its concerns with actions taken thus far to implement the 2008 amendments. The Committee action seeks to codify language similar to that adopted in 2011 with Section 721 of H.R. 2112 as modified by Section 719 of H.R. 5973, except that the Committee reported bill would prohibit the Secretary from issuing similar regulations or adopting similar policies in the future.

Meat and Poultry Processing Report

The Committee reported bill directs the Secretary to submit a report to Congress detailing steps that the Department can take to better meet the needs of federally and State inspected small and very small meat and poultry slaughter and processing plants, and to improve the electronic submission and approval process for labels. As it weighs various options to improve public access to label approval process information, the Committee suggests the Department consider publishing a user-friendly web page that includes relevant information.

The Committee intends that in developing the report, the Secretary will include input from niche market livestock and poultry producers. The report should build upon and update, as appropriate, the 2006–2007 FSIS Strategic Implementation Plan for Strengthening Small and Very Small Plant Outreach, and should focus on assistance that can be offered to meet the requirements of the Federal Meat Inspection Act and the Poultry Products Inspection Act. In addition, the Committee intends that the Secretary will consider the needs of custom and mobile slaughter and processing plants in meeting the requirements for receiving USDA official marks of inspection.

SECTION-BY-SECTION

Sec. 1. Short Title; Table of Contents

Sec. 2. Definition of Secretary of Agriculture

TITLE I—COMMODITIES

SUBTITLE A—REPEALS AND REFORMS

Sec. 1101. Repeal of Direct Payments

Section 1101 repeals direct payments effective with the 2013 crop year.

Sec. 1102. Repeal of Counter-Cyclical Payments

Section 1102 repeals the counter-cyclical payments effective with the 2013 crop year.

Sec. 1103. Repeal of Average Crop Revenue Election Program

Section 1103 repeals the Average Crop Revenue Election (ACRE) program effective with the 2013 crop year.

Sec. 1104. Definitions

Section 1104 contains majority and all common definitions for the Title.

Sec. 1105. Base Acres

Section 1105 continues the Secretary's authority to provide for adjustments to base acres for covered commodities and cotton when a CRP contract is terminated, acres are released from the CRP or when the Secretary designates additional oilseeds in the same manner as current law.

Sec. 1106. Payment Yields

Section 1106(a) continues the Secretary's authority to establish payment yields for each farm for any designated oilseed that does not have a payment yield.

Section 1106(b) continues the method of determining the payment yield for designated oilseeds in the same manner as current law.

Section 1106(c) authorizes the Secretary to establish a payment yield if no payment yield is otherwise established for a covered commodity using the program payment yields of similarly situated farms.

Section 1106(d) In time for the 2013 crop year, the owner of the farm can update the payment yields of each covered commodity once.

Sec. 1107. Farm Risk Management Election

Section 1107(a) states that producers with more than 10 planted acres of covered commodities may elect Price Loss Coverage or Revenue Loss Coverage.

Section 1107(b) makes producers eligible for a price loss coverage payment for covered commodities for the 2013–2017 crop years when the effective price for a covered commodity is less than the reference price for the covered commodities. The effective price is

the higher of the national average market price for a covered commodity for the first 5 months of the marketing year (the midseason price) and the national average marketing loan rate established in subtitle B. The reference prices are set in § 1104(16). If a payment is required, the payment will be the difference between the reference price and the effective price multiplied by the payment yield (defined in § 1104(12)) and the payment acres (defined in § 1104(11)). The Secretary shall make price loss coverage payments on October 1, or as soon as practicable thereafter, after the applicable marketing year for the covered commodity.

Section 1107(c) offers an alternative to price loss coverage. A farmer can make a one-time, irrevocable election on a crop by crop, farm by farm basis to receive revenue loss coverage. Farmers will receive revenue loss coverage payments for the 2013–2017 crop years when the actual county revenue for a covered commodity in a crop year is less than the county revenue loss trigger for the covered commodity.

The actual farm revenue is the product of multiplying the actual county yield for each planted acre of the covered commodity and the higher the first 5 months of the marketing year (the midseason price) or the national average marketing loan rate established in subtitle B. The county revenue loss coverage trigger for a covered commodity is 85 percent of the benchmark county revenue.

The benchmark county revenue is the average historical county yield of a covered commodity in a county for the most recent 5 years, excluding the highest and the lowest, subject to the average national marketing year price. In calculating the benchmark county revenue the Secretary shall use the higher of the historical county yield or 70 percent of the historical county transitional yield. For price the Secretary shall use the higher of the national marketing year average price or the reference price (set in § 1104(16)).

The payment rate is the difference between the county revenue loss coverage trigger for the covered commodity and the actual county revenue for the crop year for the covered commodity or 10 percent of the benchmark county revenue for the crop year for the covered commodity.

If payments are required the payment amount is the determined by multiplying the payment rate and the payment acres of the covered commodity on the farm. Payments are to be made on October 1 or as soon as practicable thereafter, after the applicable marketing year for the covered commodity.

Sec. 1108. Producer Agreements

Section 1108 states that before a producer of a covered commodity can receive a payment under section 1107 he or she must comply with sod buster provisions in subtitle B of title XII of the '85 act, and the swampbuster provisions of subtitle C of the title XII of the '85 act, keep the land in agriculture or conserving use, and effectively control noxious weeds.

If a producer sells or otherwise transfers his farm to someone else, the new owner or operator must assume all of the compliance obligations or the right to either the price loss coverage payment or the revenue loss coverage payment is terminated.

The producer is still required to submit to the Secretary acreage reports. Accidental errors in the reports will not result in loss of payment.

The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers and for sharing the payments among the producers on a farm on a fair and equitable basis.

Sec. 1109. Period of Effectiveness

Section 1109 sets 2013–2017 as the period of effectiveness for this subtitle.

SUBTITLE B—MARKETING LOANS

Sec. 1201. Availability of Nonrecourse Marketing Assistance Loans for Loan Commodities

Section 1201 authorizes nonrecourse loans for loan commodities for 2013–2017 crop years in the same manner as current law. It also includes a requirement that producers comply with certain conservation requirements.

Sec. 1202. Loan Rates for Nonrecourse Marketing Assistance Loans

Section 1202 continues current law establishing loan rates for commodities, except for an adjustment to upland cotton, as follows for the 2013–2017 crop years:

Wheat, $2.94 (same as current law)

Corn, $1.95 (same as current law)

Grain Sorghum, $1.95 (same as current law)

Barley, $1.95 (same as current law, though now using the all barley price)

Oats, $1.39 (same as current law)

Upland Cotton, for the 2013 and each subsequent crop year, the simple average of the adjusted prevailing world price for the 2 immediately preceding marketing years, but in no case less than $0.47 per pound or more than $0.52 per pound.

Extra long staple cotton, $0.7977 (same as current law)

Long grain rice, $6.50 (same as current law)

Medium/short grain rice, $6.50 (same as current law)

Soybeans, $5.00 (same as current law)

Other oilseeds, $10.09 (same as current law)

Dry Peas, $5.40 (same as current law)

Lentils, $11.28 (same as current law)

Small Chickpeas, $7.43 (same as current law)

Large Chickpeas, $11.28 per hundredweight (same as current law)

Peanuts, $355 per ton (same as current law)

Graded wool, $1.15 (same as current law)

Non-graded wool, $0.40 (same as current law)

Honey, $0.69 (same as current law)

Mohair, $4.20 (same as current law)

Sec. 1203. Term of Loans

Section 1203 continues the provisions of the current law on the terms of loans: 9 months; no extensions.

Sec. 1204. Repayment of Loans

Section 1204 requires the repayment of marketing assistance loans in the same manner as current law.

Sec. 1205. Loan Deficiency Payments

Section 1205 authorizes loan deficiency payments for 2013–2017 crop years under same conditions as 2002 Farm Bill.

Sec. 1206. Payments In Lieu of Loan Deficiency Payments for Grazed Acreage

Section 1206 continues the authorization for payments in lieu of LDPs for producers who have grazed acreage for the 2013–2017 crop years under in the same manner as current law.

Sec. 1207. Special Marketing Loan Provisions for Upland Cotton

Section 1207 continues the authorization for the President to issue special import quota for the 2013–2017 crop year in the same manner as current law using only official USDA data.

Sec. 1208. Special Competitive Provisions for Extra Long Staple Cotton

Section 1208 continues the authorization through July 31, 2013 of the special competitive provisions for extra long staple cotton in the same manner as current law.

Sec. 1209. Availability of Recourse Loans for High Moisture Feed Grains and Seed Cotton

Section 1209 continues the authorization for recourse loans for these crops for the 2013–2017 crop years in same manner as current law.

Sec. 1210. Adjustment of Loans

Section 1210 authorizes the Secretary to adjust loan rates.

SUBTITLE C—SUGAR

Sec. 1301. Sugar Program

Section 1301 reauthorizes the sugar program requiring the Secretary to administer the program in the same manner as current law.

SUBTITLE D—DAIRY

PART I—DAIRY PRODUCER MARGIN PROTECTION AND DAIRY MARKET STABILIZATION PROGRAMS

Sec. 1401. Definitions

Section 1401 defines the terms used in the Dairy Producer Margin Protection and Dairy Market Stabilization Programs, including that a "participating dairy producer" is a dairy producer that registers for the dairy producer margin protection program, and, as a result of the registration, also participates in the dairy market stabilization program.

Sec. 1402. Calculation of Average Feed Cost and Actual Dairy Producer Margins

Section 1402 establishes that the average feed cost be calculated each month using the price of corn, the price of soybean meal in central Illinois, and the price of alfalfa hay, as reported by the Secretary.

For use in the margin protection program, directs the Secretary to calculate the actual dairy producer margin for each consecutive 2 month period by subtracting the average feed cost from the all-milk price for that period.

For use in the stabilization program, directs the Secretary to calculate the actual dairy producer margin for each preceding month by subtracting the average feed cost from the all-milk price for that period.

SUBPART A—DAIRY PRODUCER MARGIN PROTECTION PROGRAM

Sec. 1411. Establishment of Dairy Producer Margin Protection Program

Section 1411 directs the Secretary to establish a dairy producer margin protection program by providing basic margin protection payments when margins are less than a $4 threshold level, and providing supplemental margin protection up to an $8 margin if purchased by the producer.

Sec. 1412. Participation of Dairy Producers in Margin Protection Program

Section 1412 establishes that all dairy producers in the United States are eligible to participate in and sign-up for the margin protection program to receive basic margin protection, and, if the producer so chooses, to purchase supplemental margin protection.

Sec. 1413. Production History of Participating Dairy Producers

Section 1413 establishes the production history of producers.

Sec. 1414. Basic Margin Protection

Section 1414 establishes a basic margin protection program under which participating dairy producers receive a basic margin protection payment when the average actual dairy producer margin falls below $4.00 for a consecutive two-month period.

Sec. 1415. Supplemental Margin Protection

Section 1415 establishes that a dairy producer may purchase supplemental margin protection on a yearly basis to protect a higher level of income than under the basic margin program.

Sec. 1416. Effect of Failure To Pay Administrative Fees and Premiums

Section 1416 mandates that a dairy producer, who elects to participate in the basic or supplemental margin protection programs and fails to pay the required administrative fees or premiums, may not receive basic or supplemental margin protection payments and remains legally obligated to pay such fees or premiums.

SUBPART B—DAIRY MARKET STABILIZATION PROGRAM

Sec. 1431. Establishment of Dairy Market Stabilization Program

Section 1431 establishes a dairy market stabilization program which is triggered when the actual dairy producer margin has been $6 or less per hundredweight of milk for the immediately preceding 2 months or $4 or less for the immediately preceding month. If the stabilization program is triggered, the Secretary will order reduced payments for the participating producer that exceeds the applicable percentage of the producer's stabilization base.

Sec. 1432. Threshold for Implementation and Reduction in Dairy Producer Payments

Section 1432 requires the Secretary to announce that the stabilization program is in effect and payment reductions are required.

Sec. 1433. Producer Milk Marketing Information

Section 1433 requires the Secretary to establish a process to collect the necessary information while the stabilization program is in effect.

Sec. 1434. Calculation and Collection of Reduced Dairy Producer Payments

Section 1434 requires handlers to reduce payments to participating dairy producers during any month in which payment reductions are in effect.

Sec. 1435. Remitting Monies to the Secretary and Use of Monies

Section 1435 requires handlers to remit to the Secretary an amount equal to reduced producer payments.

Sec. 1436. Suspension of Reduced Payment Requirement

Section 1436 lists the thresholds at which the Secretary will suspend the stabilization program.

Sec. 1437. Enforcement

Section 1437 makes it unlawful for any person subject to the stabilization program to not provide or to delay the reporting of accurate information and remittance of funds to the Secretary.

Sec. 1438. Audit Requirements

Section 1438 is the audit requirements for the stabilization program.

SUBPART C—COMMODITY CREDIT CORPORATION

Sec. 1451. Use of Commodity Credit Corporation

Section 1451 requires the Secretary to use the funds and facilities of the CCC to carry out the program.

SUBPART D—INITIATION AND DURATION

Sec. 1461. Rulemaking

Section 1461 exempts the programs from the Administrative Procedures Act and the Paperwork Reduction Act.

Sec. 1462. Duration

Section 1462 terminates the margin protection program and the stabilization program on December 31, 2017.

PART II—REPEAL OR REAUTHORIZATION OF OTHER DAIRY-RELATED PROVISIONS

Sec. 1481. Repeal of Dairy Product Price Support and Milk Income Loss Contract Programs

Section 1481 repeals the dairy price support and milk income loss programs.

Sec. 1482. Repeal of Dairy Export Incentive Program

Section 1482 repeals the dairy export incentive program.

Sec. 1483. Extension of Dairy Forward Pricing Program

Section 1483 reauthorizes the dairy forward pricing program through 2020.

Sec. 1484. Extension of Dairy Indemnity Program

Section 1484 reauthorizes the dairy indemnity program through 2017.

Sec. 1485. Extension of Dairy Promotion and Research Program

Section 1485 reauthorizes the dairy promotion and research program through 2017.

Sec. 1486. Repeal of Federal Milk Marketing Order Review Commission

Section 1486 repeals the federal milk marketing order review commission.

PART III—EFFECTIVE DATE

Sec. 1491. Effective Date

Section 1491 states this subtitle is effective October 1, 2012.

SUBTITLE E—SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE PROGRAMS

Sec. 1501. Supplemental Agricultural Disaster Assistance

In general, section 1501 authorizes the continuation of certain Supplemental Agricultural Disaster Assistance programs, previously codified in subtitle B of the Federal Crop Insurance Act, as a standalone provision within the bill.

Section 1501(a) is the definitions section. The section strikes definitions that are no longer relevant to the title.

Section 1501(b) authorizes the Livestock Indemnity Payments (LIP) for fiscal years 2012 through 2017. The subsection authorizes the Secretary to use such sums as necessary of the funds of the

Commodity Credit Corporation to be used to make livestock indemnity payments to eligible producers for livestock losses in excess of normal mortality due to adverse weather or attacks by federally reintroduced animals, such as wolves or avian predators. It maintains the 75% of the market value rate for indemnity.

Section 1501(c) authorizes the Livestock Forage Disaster Program (ELFP) for fiscal years 2012 through 2017. The subsection authorizes the Secretary to use such sums as necessary from the Commodity Credit Corporation to provide compensation to eligible livestock producers for livestock losses due to grazing losses caused by drought or fire. Coverage includes native or improved pastureland with permanent vegetative cover, or land that has crops that are specifically planted for the purpose of grazing livestock. However, an eligible livestock producer may not receive assistance for land used for haying or grazing under the Conservation Reserve Program. The language maintains the payment rate for losses caused by drought for 1 month at equal to the lesser of 60 percent of the lesser of the monthly feed cost for all covered livestock owned or leased by the eligible producer, or the monthly feed cost calculated by using the normal carrying capacity of the eligible grazing land of the eligible livestock producer. Fire losses continue to be limited to fires that have occurred on federally managed land. The section maintains the payment rate for losses due to fire at equal to 50 percent of the monthly feed costs for the total number of livestock covered by the Federal lease of the eligible livestock producer. The language eliminates the minimum risk management purchase requirement.

Section 1501(d) authorizes the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP) for fiscal years 2012 through 2017. The subsection authorizes the Secretary to use $20,000,000 of the funds of the Commodity Credit Corporation to provide emergency relief for producers to aid in the reduction of loss due to disease and adverse weather. The language clarifies that that loss due to disease includes losses from cattle tick fever. The subsection maintains the provision that the funds shall remain available until expended.

Section 1501(e) authorizes the Tree Assistance Program (TAP) for fiscal years 2012 through 2017. The Secretary is authorized to use such sums as are necessary of the funds of the Commodity Credit Corporation to provide assistance to orchardists and nursery growers for losses of trees due to natural disaster. The language provides a reimbursement rate of 65% of the cost of replanting trees for losses in excess of 15% mortality. The language increases the payment cap under TAP to $125,000 per crop year. It further maintains the 500 acre limit on total number of acres planted in trees or tree seedlings for which a person or legal entity shall be entitled to receive payments under this subsection.

Section 1501(f) includes the payment limitation for the entire section. The language increases the payment cap for total amount of disaster assistance payments, excluding TAP payments, to $125,000 received, either directly or indirectly, by a person or legal entity. The language eliminated the AGI limitation for payments under this section. It further maintains the application of direct attribution provisions to this section.

SUBTITLE F—ADMINISTRATION

Sec. 1601. Administration Generally

Section 1601 allows the Secretary to use the funds and facilities of the Commodity Credit Corporation to carry out this title. It also provides for an expedited implementation of this title.

The Secretary's authority to adjust expenditures under this title to ensure the United States remains in compliance with our international trade agreements is continued in the same manner as current law.

Sec. 1602. Suspension of Permanent Price Support Authority

Section 1602 continues the suspension of permanent price authority in the Agriculture Marketing Adjustment Act of 1938 and the Agricultural Act of 1949.

Sec. 1603. Payment Limitations

Section 1603 limits the total amount of payments a person or a legal entity can receive under subtitle A to $125,000.

Sec. 1604. Adjusted Gross Income Limitation

Section 1604 replaces the two income limitation test (farm and nonfarm income) with a single $950,000 adjusted gross income limitation for commodity and conservation programs.

Sec. 1605. Geographically Disadvantaged Farmers and Ranchers

Section 1605 continues the geographically disadvantaged farmers and ranchers program authorization for reimbursement payments through 2017 in the same manner as current law.

Sec. 1606. Personal Liability of Producers for Deficiencies

Section 1606 extends the personal liability of producers for deficiencies through 2017 in the same manner as current law.

Sec. 1607. Prevention of Deceased Individuals Receiving Payments Under Farm Commodity Programs

Section 1607 continues the requirement that the Secretary prevent deceased individuals from receiving farm commodity program payments by reconciling the social security numbers of all individuals who received payments under this title with the Commissioner of Social Security in the same manner as current law.

Sec. 1608. Technical Corrections

Section 1608 includes technical corrections.

Sec. 1609. Assignment of Payments

Section 1609 continues the authority of a producer who receives a payment under this title to assign the payment to someone else after proper notice to the secretary in the same manner as current law.

Sec. 1610. Tracking of Benefits

Section 1610 reauthorizes the Secretary to track the benefits provided to individuals getting payments under titles I and II in the same manner as current law.

Sec. 1611. Signature Authority

Section 1611 continues the signature authority of a producer in the same manner as current law.

Sec. 1612. Implementation

Section 1612 requires the Secretary to maintain records on base acres and the records for the separate base acres for long grain and medium grain rice through 2017. The Secretary shall make available to the Farm Service Agency to carry out this title $100,000,000.

TITLE II—CONSERVATION

SUBTITLE A—CONSERVATION RESERVE PROGRAM

Sec. 2001. Extension and Enrollment Requirements of Conservation Reserve Program

Section 2001(a) extends the Conservation Reserve Program (CRP) through fiscal year 2017.

Section 2001(b) amends the definition of eligible land by updating the date for cropping history under highly erodible lands; by removing marginal pasture land converted to wetland or established as wildlife habitat prior to 1999; by adding grasslands as eligible lands; by including filterstrips and riparian buffers devoted to trees, shrubs, and grasses as cropland that would otherwise be ineligible; and by amending the requirement for buffers and filterstrips associated with the remainder of a field enrolled in CRP.

Section 2001(c) amends the requirement for certain lands to be considered planted to an agricultural commodity for the purposes of determining eligibility to land that was devoted to a conserving use during the crop year; and eliminates the inclusion of land enrolled in the water bank program.

Section 2001(d) reduces the acreage cap for fiscal years 2013–2017:

FY2012—32,000,000 acres
FY2013—29,000,000 acres
FY2014—26,000,000 acres
FY2015—26,000,000 acres
FY2016—25,500,000 acres
FY2017—25,000,000 acres

It further adds a provision for enrollment of 2,000,000 acres of grasslands and authorizes the Secretary to give priority to expiring CRP contracts to be enrolled under the grasslands cap.

Section 2001(e) eliminates the five-year extension option for hardwood trees as well as the additional one-year extension for contracts which expired during the 2002 calendar year. Owners and operators of land with hardwoods, windbreaks, or wildlife corridors may specify the duration of the contract within the 10–15 year limitation.

Section 2001(f) eliminates the specified conservation priority area watersheds and leaves the ability to designate a priority area—including non-watershed areas—to the discretion of the Secretary. It further eliminates the ability for a State agency to apply for withdrawal from a designation.

Sec. 2002. Farmable Wetland Program

Section 2002 extends the Farmable Wetlands Program through fiscal year 2017, decreases the program cap from 1,000,000 to 750,000 acres and makes several changes that are clarifying in nature. The program has been further amended so it is no longer a pilot program.

Sec. 2003. Duties of Owners and Operators

Section 2003(a) amends the limitation on harvesting, grazing and commercial use of forage by moving it from the section establishing the duties of owners and operators to the section enumerating the duties of the secretary.

Section 2003(b) amends the conservation plan requirements by eliminating the option for the plan to provide for permanent retirement of existing base history.

Section 2003(c) eliminates the umbrella rental rate reduction for certain authorized uses of the land. Similar rental rate language appears in the section enumerating the duties of the Secretary.

Sec. 2004. Duties of the Secretary

Section 2004 requires the Secretary to allow for certain harvesting, grazing and commercial use of forage in exchange for a reduction in the rental rate at not less than 25 percent, except for in the case of drought or other emergency created by natural disaster, where the activity may occur without any reduction in the rental rate. The section provides for the incidental use of buffers adjacent to agricultural lands. The section adds a new subsection (c) that requires the Secretary to permit certain haying and grazing practices on grasslands specifically. It adds provisions for individuals with expiring contracts to initiate conservation and land improvement practices in the final year of the contract with a commensurate reduction in rental value. Re-enrollment of these lands is prohibited for at least five years.

Sec. 2005. Payments

Section 2005(a) is a technical conforming amendment in response to the elimination of section 1235A.

Section 2005(b) adds "other eligible land" to the annual rental payment language. Subsection (b) further adds the determination for payments to owners or operators of grasslands at 75 percent of the grazing value of the land under contract.

Section 2005(c) amends the payment schedule section to eliminate in-kind commodity payments through Commodity Credit Corporation stocks.

Section 2005(d) is a technical conforming amendment in response to the elimination of in-kind commodity payments.

Sec. 2006. Contract Requirements

Section 2006(a) allows for a one-time early termination option for an owner or operator if the contract has been in effect for five years. The section further specifies what environmentally sensitive land is exempted from the early termination.

Section 2006(b) makes adjustments to the transition options language regarding the transfer of land from a retired farmer or rancher to a beginning farmer or rancher.

Section 2006(c) allows for an owner or operator to enroll into the Conservation Stewardship Program in the last year of the owner or operator conservation reserve contract.

Sec. 2007. Conversion of Land Subject to Contract to Other Conserving Uses

Section 2007 repeals Section 1235A of the Food Security Act of 1985, Conservation of Land Subject to Contract to other Conserving Uses which is no longer applicable for contracts in place prior to November 28, 1990.

SUBTITLE B—CONSERVATION STEWARDSHIP PROGRAM

Sec. 2101. Conservation Stewardship Program

Section 2101 revises the Conservation Stewardship Program.

Definitions: The section includes a definition of "agricultural operation", strikes the definition of "conservation measurement tool" to conform with other amendments, redefines "priority resource concern", and it revises the definition of "eligible land".

Establishment and purposes: The section authorizes the program through 2017. It limits the excluded land by allowing for CRP land to be enrolled in the final year of the contract. The section increases emphasis on new conservation. It also eliminates the requirement that not more than 10 percent of the acres enrolled be non-industrial private forest land. The section allows enrollment of lands that are under agricultural land easements option of the ACE Program.

Stewardship contracting: The section requires participants, at the time of the contract offer, to be meeting the stewardship threshold of at least two priority resource concerns with at least one additional priority resource concern by the end of the contract. It establishes a priority consideration for land with expiring CRP contracts. The section also eliminates the conservation measurement tool. It adds the requirement for the producer, in order to renew a contract for an additional year, to meet the stewardship threshold of at least two additional priority resource concerns or exceed the threshold of at least two existing priority resource concerns by then end of the contract period. It eliminates the on-farm research and demonstration, or pilot testing provisions.

Duties of the Secretary: The section replaces the conservation measurement tool with a science-based stewardship threshold. It includes an acreage enrollment limitation of 9,000,000 acres for each fiscal year and a national average rate of $18 per acre, which shall include costs of assistance.

SUBTITLE C—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

Sec. 2201. Purposes

Section 2201 adds "developing and improving wildlife" to the purposes section.

Sec. 2202. Establishment and Administration

Section 2202 extends EQIP though fiscal year 2017.

Section 2223 amends the term of an EQIP contract to a period not to exceed 10 years, eliminating the minimum requirement. The increased payments to certain producers section is amended to in-

clude veteran farmers or ranchers. The section increases the amount allowed for an advanced payment to 50 percent and includes a new requirement that funds provided in advance but not expended during the required 90-day period be returned. It maintains the 60 percent allocation for livestock production and creates a new 5 percent allocation for practices benefiting wildlife habitat. The section adds a new subsection in order to include wildlife habitat restoration, improvement, and development activities under EQIP.

Sec. 2203. Evaluation of Applications

Section 2203 amends the evaluation of application process section for the purpose of a conforming amendment.

Sec. 2204. Duties of Producers

Section 2204 is a technical amendment to the duties of producers section.

Sec. 2205. Limitation on Payments

Section 2205 establishes the payment limitation at $450,000 and eliminates the waiver authority.

Sec. 2206. Conservation Innovation Grants and Payments

Section 2206 adds a reporting requirement to CIG projects.

SUBTITLE D—AGRICULTURAL CONSERVATION EASEMENT PROGRAM

Sec. 2301. Agricultural Conservation Easement Program

Section 2301 establishes a new Agricultural Conservation Easement (ACE) Program consolidating the Wetland Reserve Program, the Grassland Reserve Program, and the Farmland Protection Program. The purposes of the program include restoring, protecting, and enhancing wetlands; protecting the agricultural use and conservation values on agricultural lands; and protecting grazing uses and related conservation values on agricultural lands. The program has two distinct branches under the umbrella easement program—agricultural land easements and wetland easements.

The program includes definitions for "agricultural land easement", "wetland easement", "eligible entity", and "eligible land".

Under the Agricultural Land Easements, the Secretary facilitates and provides funds to eligible entities to purchase conservation easements in agricultural land and grasslands. The easements shall be permanent easements, or easements for the maximum duration allowed under applicable State law. The scope of the federal share shall not exceed 50 percent of the fair market value of the land using the USPAP, an area-wide market analysis survey, or another industry approved method. There is an exemption for grasslands of special environmental significance, by which the Secretary may provide up to 75 percent of the fair market value.

The Agricultural Land Easement Program establishes a process under which an eligible entity may be certified by the Secretary, though non-certified entities may still participate. Agreements between the Secretary and an eligible entity shall be at least three, but no more than five years unless the eligible entity is certified, in which case the term shall be a minimum of five years.

Under the Wetlands Easements, the Secretary enrolls wetlands through the use of 30-year easements; permanent easements; easements for the maximum duration allowed under State law; or for Indian tribes only, 30-year contracts. The Secretary shall not acquire easements on land that has been established to trees in CRP, or farmed wetlands or converted wetlands where the conversion was not commenced prior to December 23, 1985. The program establishes a priority based on the value of the wetland easement for protecting and enhancing habitat for migratory birds and other wildlife.

Compensation for permanent easements shall be in an amount necessary to encourage enrollment in the program based on the lowest of the fair market value, the amount corresponding to a geographical cap, or the offer made by the landowner. In the case of a 30-year wetland easement, compensation shall be not less than 50 percent, but not more than 75 percent, of the compensation that would be paid for a permanent wetland easement.

The Wetlands Easement Program further authorizes the Secretary to provide financial assistance to owners to carry out the establishment of conservation measures and practices to protect wetland functions and values including maintenance. In the case of restoration on permanent wetland easements, the Secretary shall pay at least 70 percent, but not more than 100 percent, of the costs. In the case of a 30-year wetland easement, the Secretary shall pay at least 50 percent, but not more than 75 percent of the costs. The entire ACE Program includes a priority for certain lands currently enrolled in CRP with a contract set to expire within 1 year.

Of the funds made available under the program, at least 40 percent are reserved for agricultural land easements for fiscal years 2013 through 2016 and at least 50 percent for agricultural land easements in fiscal year 2017.

SUBTITLE E—REGIONAL CONSERVATION PARTNERSHIP PROGRAM

Sec. 2401. Regional Conservation Partnership Program

Section 2401 establishes a Regional Conservation Partnership Program by combining program purposes of the Agricultural Water Enhancement Program (AWEP), the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiatives Program (CCPI), and the Great Lakes Basin Program. The new Regional Program works through the existing programs—Agricultural Conservation Easement Program (ACEP), Environmental Quality Incentives Program (EQIP), and the Conservation Stewardship Program (CSP)—in order to further conservation, restoration and sustainable use of soil, water, air, wildlife and related natural resources on a regional or watershed scale while encouraging eligible partners to cooperate with producers in meeting or avoiding the need for natural resource regulatory requirements related to agricultural production and implement projects that will affect operations on a local, regional, State, or multi-State basis.

The program includes definitions for "covered programs", "eligible activities", "eligible land" and "eligible partner".

Under the program, the Secretary may enter into short term contracts with eligible partners, who are selected through a competi-

tive process. A partnership agreement may not exceed five years, but may be extended one time for up to 12 months if necessary to meet the objectives of the program. Through the contracts, partners will assist producers with installing and maintaining conservation activities through existing programs. An eligible partner shall provide a significant portion of the overall costs of the scope of the project. The program includes several priorities for applications, including the ability to assist producers in meeting or avoiding regulatory requirements.

The Secretary may also enter into contracts directly with producers who are in an established project area. The Secretary shall make payments directly to the producer in an amount determined by the Secretary to be necessary to achieve the purposes of the program. The language includes a waiver from the adjusted gross income requirement.

The program includes a section for critical conservation areas under which the Secretary can administer the program as well as very limited flood prevention and erosion control projects. When implementing projects under the critical conservation areas, the Secretary may use additional authorities under the Watershed Protection and Flood Prevention Act.

The funding for the program consists of mandatory funds out of the Commodity Credit Corporation of $100,000,000 for each fiscal year, as well as a 6 percent reservation of funds out of the conservation programs mentioned above. Out of all of the funds, 25 percent is allocated to the State conservationist, 50 percent is allocated to the Secretary on a national competitive basis, and 25 percent is allocated for the critical conservation areas.

SUBTITLE F—OTHER CONSERVATION PROGRAMS

Sec. 2501. Conservation of Private Grazing Land

Section 2501 extends Conservation of Private Grazing Land through fiscal year 2017.

Sec. 2502. Grassroots Source Water Protection Program

Section 2502 extends the Grassroots Water Protection Program. It further makes available $5,000,000 in mandatory money to remain available until expended.

Sec. 2503. Voluntary Public Access and Habitat Incentive Program

Section 2503 extends the Voluntary Public Access program through fiscal year 2017, reduces its mandatory funding level to $30,000,000 and requires a report on program effectiveness.

Sec. 2504. Agriculture Conservation Experienced Services Program

Section 2504 provides funding for ACES through the funds made available to carry out each program under the title, excluding CRP.

Sec. 2505. Small Watershed Rehabilitation Program

Section 2505 reauthorizes the appropriations of the Small Watershed Rehabilitation Program at current appropriated levels through fiscal year 2017 and further authorizes $250,000,000 in mandatory money for the Small Watershed Rehabilitation Program for fiscal year 2013, to remain available until expended.

Sec. 2506. Agricultural Management Assistance Program

Section 2506 amends the Agricultural Management Assistance Program, within the Federal Crop Insurance Act, by eliminating the practice of planting trees for windbreaks or for improving water quality and mitigation of risk through resource conservation practices as uses for financial assistance under the program. The section further eliminates the exception of $15,000,000 in mandatory funding through each fiscal year while maintaining the base $10,000,000 in funding. The section amends the percentages for the distribution of funds decreasing the funds through Natural Resources Conservation Services to 30 percent, maintaining the funds for organic certification cost share through Agricultural Marketing Service at 10 percent, and increasing the funds through the Risk Management Agency to 60 percent.

SUBTITLE G—FUNDING AND ADMINISTRATION

Sec. 2601. Funding

Section 2601(a) extends and amends the funding section for conservation programs provided by the Commodity Credit Corporation funds.

Funding levels:

CRP TIP—$25,000,000 set aside in the period of fiscal years 2013–2017.

ACE—

$450,000,000 in FY13;
$475,000,000 in FY14;
$500,000,000 in FY15;
$525,000,000 in FY16; and
$266,000,000 in FY17.

EQIP—$1,750,000,000 in each of fiscal years 2013–2017.

Section 2601(b) makes the funding covered by this section no year funds.

Sec. 2602. Technical Assistance

Section 2602 amends the funding section of the 1985 Act to include an amended technical assistance subsection and also requires a report to Congress on technical assistance.

Sec. 2603. Regional Equity

Section 2603 amends Regional Equity by striking the $15,000,000 target for regional equity allocations and replaces it with 0.6 percent of the funds made available for conservation programs in order to allow allocations to synchronize with annual program appropriations.

Sec. 2604. Reservation of Funds to Provide Assistance to Certain Farmers or Ranchers for Conservation Access

Section 2604 extends the 5 percent reservation of funds for both socially disadvantaged and beginning farmers and ranchers through fiscal year 2017. The language adds a priority within the reservation of funds for producers who are veterans.

Sec. 2605. Annual Report on Program Enrollments and Assistance

Section 2605 makes technical amendments to the annual reporting requirement on program enrollments and assistance.

Sec. 2606. Administrative Requirements Applicable to All Conservation Programs

Section 2606 adds a new subsection to the administrative requirements for conservation programs that requires the Secretary, to the maximum extent practicable, to seek to reduce administrative burdens and costs by streamlining and taking advantage of new technologies to enhance efficiency and effectiveness. The section clarifies that any payment received under the title is in addition to, and does not affect, the total amount of payments an owner or operator is otherwise eligible to receive.

Sec. 2607. Standards for State Technical Committees

Section 2607 makes a technical change to the standards for state technical committees.

Sec. 2608. Rulemaking Authority

Section 2608 requires the Secretary to promulgate regulations, gives the Secretary rulemaking authority in regards to conservation programs, and provides for the operation of the programs under interim rules.

SUBTITLE H—REPEAL OF SUPERSEDED PROGRAM AUTHORITIES AND TRANSITIONAL PROVISIONS

Sec. 2701. Comprehensive Conservation Enhancement Program

Section 2701 repeals the Comprehensive Conservation Enhancement Program.

Sec. 2702. Emergency Forestry Conservation Reserve Program

Section 2702 repeals the Emergency Forestry Conservation Reserve Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2703. Wetlands Reserve Program

Section 2703 repeals the Wetlands Reserve Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2704. Farmland Protection Program and Farm Viability Program

Section 2704 repeals the Farmland Protection Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2705. Grasslands Reserve Program

Section 2705 repeals the Grassland Reserve Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2706. Agricultural Water Enhancement Program

Section 2706 repeals the Agricultural Water Enhancement Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2707. Wildlife Habitat Incentive Program

Section 2707 repeals the Wildlife Habitat Incentive Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2708. Great Lakes Basin Program

Section 2708 repeals the Great Lakes Basin Program.

Sec. 2709. Chesapeake Bay Watershed Program

Section 2709 repeals the Chesapeake Bay Watershed Program, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2710. Cooperative Conservation Partnership Initiative

Section 2710 repeals the Cooperative Conservation Partnership Initiative, but provides for the continuation of existing contracts until the contract's expiration.

Sec. 2711. Environmental Easement Program

Section 2711 repeals the Environmental Easement Program.

Sec. 2712. Technical Amendments

Section 2712 includes technical amendments.

TITLE III—TRADE

SUBTITLE A—FOOD FOR PEACE ACT

Sec. 3001. General Authority

Section 3001 amends section 201 of the Food for Peace Act by updating the general authorities with language focused on building resilience to reduce the future need for emergency food aid.

Sec. 3002. Support for Organizations through which Assistance is Provided

Section 3002 amends section 202(e)(1) of the Food for Peace Act by reducing the maximum allowable cash assistance available for administrative costs in non-emergency programs from 13% to 11% of the total funds made available for the program.

Sec. 3003. Food Aid Quality

Section 3003 amends section 202(h) of the Food for Peace Act by requiring the Administrator to consult with the Secretary in performing the requirements of this subsection related to food aid quality; by establishing a mechanism for USDA and USAID to evaluate food aid commodities and implement appropriate changes; by instructing the agencies to update program guidance on the use of new commodities; and by limiting the available funding for these purposes to $1 million.

Sec. 3004. Minimum Levels of Assistance

Section 3004 amends section 204(a) of the Food for Peace act by reauthorizing the minimum levels of commodities available for emergency and non-emergency assistance under Food for Peace.

Sec. 3005. Food Aid Consultative Group

Section 3005 amends Section 205 of the Food for Peace Act by reauthorizing the Food Aid Consultative Group (the "Group") and adding representatives from the processing sector to the Group. The provision further requires the Administrator to consult with the Group on the implementation of food aid quality provisions and requires the Administrator to provide the Group at least 45 days notice before a proposed regulation handbook or guideline, or revision thereof, becomes final.

Sec. 3006. Oversight, Monitoring, and Evaluation

Section 3006 amends section 207 of the Food for Peace Act by requiring that all regulations and revisions to agency guidance necessary for implementation of the Federal Agricultural Reform and Risk Management Act be issued within 270 days of enactment. The provision removes authority for purchasing new computer systems, removes obsolete reporting requirements, and provides $10 million per year for monitoring and evaluation. Further, the provision requires a report on the extent of monitoring and evaluation required by eligible organizations participating in Food for Peace programs.

Sec. 3007. Assistance for Stockpiling and Rapid Transportation, Delivery, and Distribution of Shelf-stable Pre-packaged Foods

Section 3007 amends section 208 of the Food for Peace Act by reauthorizing assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods at $8 million per year.

Sec. 3008. General Provisions

Section 3008 amends section 403 of the Food for Peace Act by requiring USDA and USAID to seek information on the potential benefits of monetization to local economies. The provision further clarifies that implementing partners should sell monetized commodities at fair market value. The Secretary and the Administrator are also instructed to coordinate assessments which guide the use of monetization to ensure consistency across programs. The provision requires USAID to issue a report detailing the use of funds made available for implementing partners, including funds for administrative and indirect costs.

Sec. 3009. Prepositioning of Agricultural Commodities

Section 3009 amends section 407(c) of the Food for Peace Act by increasing funding for prepositioning of agricultural commodities from $10 million to $15 million per year. The section also allows the Administrator discretion to establish additional prepositioning sites based on the results of assessments of need, feasibility, and cost.

Sec. 3010. Annual Report Regarding Food Aid Programs and Activities

Section 3010 amends section 407(f) of the Food for Peace Act by requiring the annual report regarding food aid programs and activities to include information on the actual beneficiaries of the programs and by specifying the report include the McGovern-Dole International Food for Education and Child Nutrition Program.

Sec. 3011. Deadline for Agreements To Finance Sales or To Provide Other Assistance

Section 3011 amends section 408 of the Food for Peace Act by extending the expiration of Food for Peace authorities through 2017.

Sec. 3012. Authorization of Appropriations

Section 3012 amends section 412 of the Food for Peace Act by reducing the authorization for appropriations from $2.5 to $2 billion per year and sets the minimum level of development programming at $400 million per year.

Sec. 3013. Micronutrient Fortification Programs

Section 3013 amends section 415 of the Food for Peace Act by striking a reference to an obsolete report and reauthorizing the micronutrient fortification program through 2017.

Sec. 3014. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program

Section 3014 amends section 501 of the Food for Peace Act by reauthorizing the Farmer-to-Farmer program and increasing the minimum level of funding from $10 million to $15 million per year.

SUBTITLE B—AGRICULTURAL TRADE ACT OF 1978

Sec. 3101. Funding for Export Credit Guarantee Program

Section 3101 amends section 211 of the Agricultural Trade Act of 1978 by reauthorizing funding for the Export Credit Guarantee Program through 2017.

Sec. 3102. Funding for Market Access Program

Section 3102 amends section 211 of the Agricultural Trade Act of 1978 by reauthorizing funding for the Market Access Program through 2017.

Sec. 3103. Foreign Market Development Cooperator Program

Section 3103 amends section 703 of the Agricultural Trade Act of 1978 to reauthorize funding for the Foreign Market Development Coordinator Program through 2017.

SUBTITLE C—OTHER AGRICULTURAL TRADE LAWS

Sec. 3201. Food for Progress Act of 1985

Section 3201 amends the Food for Progress Act of 1985 by reauthorizing the program through 2017 and repeals a completed project in Malawi.

Sec. 3202. Bill Emerson Humanitarian Trust

Section 3202 amends the Bill Emerson Humanitarian Trust Act to reauthorize the Trust through 2017.

Sec. 3203. Promotion of Agricultural Exports to Emerging Markets

Section 3203 amends section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 by reauthorizing the promotion of agricultural exports to emerging markets through 2017.

Sec. 3204. McGovern-Dole International Food for Education and Child Nutrition Program

Section 3204 amends section 3107 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the McGovern-Dole International Food for Education and Child Nutrition Program through 2017.

Sec. 3205. Technical Assistance for Specialty Crops

Section 3205 amends section 3205 of the Farm Security and Rural Investment Act of 2002 to reauthorize the export assistance program known as Technical Assistance for Specialty Crops through 2017 at $9 million per year and clarifies that technical barriers to trade can be addressed through the program.

Sec. 3206. Global Crop Diversity Trust

Section 3206 amends section 3202(c) of the Food, Conservation, and Energy Act of 2008 by reauthorizing the U.S. Agency for International Development to make a contribution of up to $50 million over 5 years to the Global Crop Diversity Trust.

Sec. 3207 Under Secretary of Agriculture for Foreign Agricultural Services

Section 3207 amends Subtitle B of the Department of Agriculture Reorganization Act of 1994 by adding a new section allowing USDA to establish the position of Under Secretary for Foreign Agricultural Services, which would be appointed by the President with the advice and consent of the Senate.

TITLE IV—NUTRITION

SUBTITLE A—SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Sec. 4001. Retailers

Subsection (a) amends section 3 of the Food and Nutrition Act of 2008 (the "Act") by requiring retailers to provide perishable items in at least 3 of the staple food categories.

Subsection (b) amends section 7 of the Act by requiring that retailers will be responsible for purchasing and paying for Supplemental Nutrition Assistance Program ("SNAP") point-of-sale equipment and supplies. The subsection terminates the use of manual vouchers except in cases of disasters or other similar situations. The subsection requires parties providing electronic benefit transfer services to maintain unique terminal identification numbers throughout the SNAP routing system.

Subsection (c) amends section 7 of the Act by removing outdated language related to the use of coupons.

Subsection (d) amends section 9 of the Act by making retailers selling more than 45% of prohibited SNAP items, such as alcohol and tobacco, ineligible to participate in the program.

Sec. 4002. Enhancing Services to Elderly and Disabled Supplement Nutrition Assistance Program Recipients

Section 4002 amends section 3 of the Act by adding governmental or nonprofit food purchasing delivery services to the list of eligible retailers if they serve elderly or disabled individuals who are otherwise unable to shop for their own food.

Sec. 4003. Food Distribution Program on Indian Reservations

Section 4003 amends section 4 of the Act by reauthorizing the Food Distribution Program on Indian Reservations.

Sec. 4004. Updating Program Eligibility

Section 4004 amends section 5 of the Act by restricting categorical eligibility for SNAP to only those households receiving cash assistance through other low-income assistance programs.

Sec. 4005. Exclusion of Medical Marijuana from Excess Medical Expense Deduction

Section 4005 amends section 5 of the Act by prohibiting medical marijuana from being treated as a medical expense for purposes of income deductions.

Sec. 4006. Standard Utility Allowances Based on the Receipt of Energy Assistance Payments

Section 4006 amends section 5 of the Act by requiring a household to receive a Low Income Home Energy Assistance Program (LIHEAP) payment of $10 or more in order to receive the SNAP Standard Utility Allowance (SUA) deduction when calculating SNAP benefits.

Sec. 4007. Eligibility Disqualifications

Section 4007 amends section (6) of the Act by requiring that State SNAP Employment and Training programs be limited to assisting only those college students enrolled in specific career and technical education courses or basic adult education, remedial, and literacy courses.

Sec. 4008. Ending Supplemental Nutrition Assistance Program Benefits for Lottery or Gambling Winners

Section 4008 amends section 6 of the Act by making any household in which a member receives substantial lottery or gambling winnings ineligible for SNAP benefits.

Sec. 4009. Improving Security of Food Assistance

Section 4009 amends section 7 of the Act by allowing States to request information from households that repeatedly lose their electronic benefit transfer (EBT) card in order to investigate potential fraud and trafficking violations. The section provides protection for those who are not intentionally committing fraud.

Sec. 4010. Demonstration Projects on Acceptance of Benefits of Mobile Transactions

Section 4010 amends section 7 of the Act by requiring the Secretary of Agriculture (the "Secretary") to implement a pilot program to test the feasibility of allowing retailers to accept SNAP benefits through mobile transactions.

Sec. 4011. Use of Benefits for Purchase of Community-Supported Agriculture Shares

Section 4011 amends section 10 of the Act by allowing SNAP benefits to be used for the purchase of community-supported agriculture shares.

Sec. 4012. Restaurant Meals Program

Section 4012 amends section 11 of the Act by requiring greater oversight of States choosing to operate a Restaurant Meals Program that allows only homeless, elderly and disabled SNAP populations to redeem their benefits at approved restaurants. The section requires USDA to approve the State's implementation plan and ensure that a documented need exists to serve the target populations in specific geographic areas.

Sec. 4013. State Verification Option

Section 4013 amends section 11 of the Act by requiring States to use an immigration status verification system to verify an applicant's immigration status.

Sec. 4014. Repeal of Grant Program

Section 4014 repeals section 11 of the Act to eliminate a program that allows grant funding to be used for advertising to promote SNAP participation.

Sec. 4015. Data Exchange Standardization for Improved Interoperability

Section 4015 amends section 11 of the Act by establishing requirements consistent with other means tested programs for the electronic content and format of data used in the administration of SNAP.

Sec. 4016. Repeal of Bonus Programs

Section 4016 repeals section 16 of the Act to eliminate the performance bonuses provided to States for effectively administering SNAP.

Sec. 4017. Funding of Employment and Training Programs

Section 4017 amends section 16 of the Act by reducing the allocation to State agencies to carry out employment and training programs from $90 million to $79 million per year.

Sec. 4018. Monitoring Employment and Training Programs

Section 4018 amends section 16 of the Act by requiring that the Secretary implement monitoring and performance measures for State employment and training programs. The section requires that the Secretary, in consultation with the Secretary of Labor, develop reporting measures for participants in employment and training

programs. The section requires that States report annually on such measures. The section further provides that if a State agency's performance is inadequate, the Secretary may require the State agency to modify its employment and training plan.

Sec. 4019. Cooperation with Program Research and Evaluation

Section 4019 amends section 17 of the Act by requiring entities that participate in SNAP programs to cooperate with the Department of Agriculture and its agents in conducting evaluations and studies authorized under the Act.

Sec. 4020. Authorization of Appropriations

Section 4020 amends section 18 of the Act by extending the authorization for appropriations to carry out the Act through fiscal year 2017.

Sec. 4021. Limitation on Use of Block Grant to Puerto Rico

Section 4021 amends section 19 of the Act by ensuring that no funds made available to the Commonwealth of Puerto Rico may be used to provide nutrition assistance in the form of cash.

Sec. 4022. Assistance for Community Food Projects

Section 4022 amends section 25 of the Act by providing an additional $10 million per fiscal year for Community Food Projects, $5 million per fiscal year which shall be used to provide incentives for the consumption of fruits and vegetables by low-income individuals.

Sec. 4023. Emergency Food Assistance

Section 4023 amends section 27 of the Act by providing an additional $25 million per fiscal year for Emergency Food Assistance. The section also reauthorizes Emergency Food Program Infrastructure Grants through fiscal year 2017.

Sec. 4024. Nutrition Education

Section 4024 amends section 28 of the Act by including "physical activity" as an allowable activity under the SNAP nutrition education program.

Sec. 4025. Retailer Trafficking

Section 4025 amends the Act by providing $5 million each fiscal year for USDA to use in preventing SNAP fraud and trafficking violations.

Sec. 4026. Technical and Conforming Amendments

Section 4026 makes technical and conforming amendments to the Act.

Sec. 4027. Tolerance Level for Excluding Small Errors

Section 4027 prevents the Secretary from excluding payment errors greater than $25 from improper payments calculations.

Sec. 4028. Commonwealth of the Northern Mariana Islands Pilot Program

Section 4028 requires the Secretary to conduct a study to assess the capabilities of the Commonwealth of the Northern Mariana Is-

lands (CNMI) to operate the SNAP program in the same manner it is operated in the States. The section requires that if, following the study, the Secretary determines that it is feasible for the CNMI to operate the SNAP program in the same manner it is operated by the States, the Secretary shall establish a pilot program in CNMI for such purposes.

Sec. 4029. Annual State Report on Verification of Snap Participation

Section 4029 requires States to submit an annual report to the Secretary sufficient to show that the State is verifying that its SNAP recipients are not receiving benefits in more than one state and that no benefits are being paid to deceased individuals.

SUBTITLE B—COMMODITY DISTRIBUTION PROGRAMS

Sec. 4101. Commodity Distribution Program

Section 4101 amends section 4 of the Agriculture and Consumer Protection Act of 1973 by reauthorizing the Commodity Distribution Program through fiscal year 2017.

Sec. 4102. Commodity Supplemental Food Program

Section 4102 amends section 5 of the Agriculture and Consumer Protection Act of 1973 by modifying the eligibility of the Commodity Supplemental Food Program to serve only elderly populations. Those individuals under the age of 60 currently being served by the program may remain in the program until they no longer meet the current eligibility requirements. The section also reauthorizes the program through fiscal year 2017.

Sec. 4103. Distribution of Surplus Commodities to Special Nutrition Projects

Section 4103 amends section 114(a)(2)(A) of the Agriculture and Food Act of 1981 by reauthorizing Distribution of Surplus Commodities to Special Nutrition Projects through fiscal year 2017.

Sec. 4104. Processing of Commodities

Section 4104 amends the Commodity Distribution Reform Act and WIC Amendments of 1987 by ensuring that the Secretary has legal standing to enter into national processing agreements and allows the Secretary to retain title to commodities processed under those agreements prior to their final delivery to schools.

SUBTITLE C—MISCELLANEOUS

Sec. 4201. Farmers' Market Nutrition Program

Section 4201 amends section 4402 of the Farm Security and Rural Investment Act of 2002 by expanding the program purposes to allow additional at-risk populations to be served and by requiring the Secretary to specify terms and conditions to encourage expanding the participation of small-scale farmers in Federal nutrition programs.

Sec. 4202. Nutrition Information and Awareness Pilot Program

Section 4202 repeals section 4403 of the Farm Security and Rural Investment Act of 2002 by eliminating the Nutrition Information and Awareness Pilot Program.

Sec. 4203. Fresh Fruit and Vegetable Program

Section 4203 amends section 19 of the Richard B. Russell National School Lunch Act by expanding the forms of fruits and vegetables made available to students through the Fresh Fruit and Vegetable Program to include canned, frozen, and dried.

Sec. 4204. Additional Authority for Purchase of Fresh Fruits, Vegetables, and Other Specialty Food Crops

Section 4204 amends section 10603 of the Farm Security and Rural Investment Act of 2002 by requiring the Secretary to establish a pilot program in which five participating States shall have the option to receive a grant to purchase fresh fruits and vegetables for distribution to schools and service institutions in lieu of participating in the DOD fresh program.

Sec. 4205. Encouraging Locally and Regionally Grown and Raised Food.

Section 4205 requires the Secretary to allow small rural schools to purchase locally and regionally grown food in lieu of the school's commodity assistance provided under school meal programs. The section also allows the Secretary to establish farm-to-school demonstration programs at up to 10 schools.

TITLE V—CREDIT

SUBTITLE A—FARM OWNERSHIP LOANS

Sec. 5001. Eligibility for Farm Ownership Loans

Section 5001(a) expands eligibility for farm ownership loans by including "other legal entities" to the list of eligible borrowers that includes farmers, ranchers, farming cooperatives and private domestic companies. An entity that is or will become only the operator of a family farm is deemed to meet the owner operator requirements if the owners own more than 50% of the entity. An entity that is an owner-operator that is owned, in whole or in part, by other entities is deemed to meet the direct ownership requirement if at least 75% of the embedded entity is owned directly or indirectly by the individuals that own the farm.

Section 5001(b) allows a borrower to meet the experience requirements of farming or ranching for 3 years is he or she has "other acceptable experience for a period of time, as determined by the Secretary".

Sec. 5002. Conservation Loan and Loan Guarantee Program

Section 5002 expands the eligibility for the conservation loan and guarantee program by adding "or other such legal entities as the Secretary deems appropriate" to the list of eligible borrowers. It also raises the limitation on the loan guarantee from 75% to 90% and extends the program until 2017.

Sec. 5003. Down Payment Loan Program

Section 5003 increase the possible principal amount of the loan from 45% of $500,000 to 45% of $667,000.

Sec. 5004. Elimination of Mineral Rights Appraisal Requirement

Section 5004 eliminates the requirement to do a mineral rights appraisal for real estate loans.

SUBTITLE B—OPERATING LOANS

Sec. 5101. Eligibility for Farm Operating Loans

Section 5101 expands eligibility for operating loans by including "other legal entities" to the list of eligible borrowers that includes farmers, ranchers, farming cooperatives and private domestic companies. An entity that is an operator and is owned in whole or in part by other entities is deemed to meet the direct ownership if at least 75% of the embedded entity is owned directly or indirectly by the individuals that own the farm.

Sec. 5102. Elimination of rural residency requirement for operating loans to youth

Section 5102 expands eligibility by striking the words "rural residency" from the eligibility requirements for operating loans to young farmers.

Sec. 5103. Authority To Waive Personal Liability for Youth Loans Due to Circumstances Beyond Borrower Control

Section 5103 allows the Secretary, on a case by case basis, to waive the personal liability of a borrower for an operating loan if any default on the loan was due to circumstances beyond the control of the borrower.

Sec. 5104. Microloans

Section 5104 authorizes the Secretary to make operating loans of $35,000 to eligible borrowers.

SUBTITLE C—EMERGENCY LOANS

Sec. 5201. Eligibility for Emergency Loans

Section 5201 expands the eligibility for emergency loans by adding "or other such legal entities as the Secretary deems appropriate" to the list of approved borrowers. An entity that is an owner-operator and is owned in whole or in part by other entities is deemed to meet the direct ownership if at least 75% of the embedded entity is owned directly or indirectly by the individuals that own the farm.

SUBTITLE D—ADMINISTRATIVE PROVISIONS

Sec. 5301. Beginning Farmer and Rancher Individual Development Accounts Pilot Program

Section 5301 reauthorizes the Beginning Farmer and Rancher Individual Development Accounts Pilot Program through 2017.

Sec. 5302. Eligible Beginning Farmers and Ranchers

Section 5302 expands the definition of a beginning farmer or rancher to include "or other such legal entity". It also changes the acreage ownership limitation from 30% of the median acreage of farms in the county to 30% of the average acreage of farms in the county.

Sec. 5303. Loan Authorization Levels

Section 5303 reauthorizes the Secretary's ability to make loans under each subtitle through 2017.

Sec. 5304. Priority for Participation Loans

Section 5304 adds a new priority for beginning farmer and rancher direct loans to those applicants who apply under the down payment loan program or for joint financing arrangements.

Sec. 5305. Loan Fund Set-Asides

Section 5305 reauthorizes the loan fund set-asides through 2017.

Sec. 5306. Conforming Amendment to Borrower Training Provision, Relating to Eligibility Changes

Section 5306 is a conforming amendment to a borrower training provision.

SUBTITLE E—STATE AGRICULTURAL MEDIATION PROGRAMS

Sec. 5401. State Agricultural Mediation Programs

Section 5401 reauthorizes the state agricultural mediation programs through 2017.

SUBTITLE F—LOANS TO PURCHASERS OF HIGHLY FRACTIONATED LAND

Sec. 5501. Loans to Purchasers of Highly Fractionated Land

Section 5501 authorizes the use of a revolving loan fund for purchasers of highly fractionated land.

TITLE VI—RURAL DEVELOPMENT

SUBTITLE A—CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Sec. 6001. Water, Waste disposal, and Wastewater Facility Grants

The Consolidated Farm and Rural Development Act is amended to decrease the current authorization of appropriations for water, waste disposal and wastewater facility grants (7 U.S.C. 1926(a)(2)(B)(vii)) from $30,000,000 to $15,000,000 for each fiscal year through 2017.

Sec. 6002. Rural Business Opportunity Grants

Rural Business Opportunity Grants (7 U.S.C. 1926(a)(11)(D)) are reauthorized through 2017.

Sec. 6003. Elimination of Reservation of Community Facilities Grant Program Funds

A reservation of funds (7 U.S.C. 1926(a)(19)) within the community facilities grant program is repealed.

Sec. 6004. Rural Water and Wastewater Circuit Rider Program

The Rural Water and Wastewater Circuit Rider program (7 U.S.C. 1926(a)(22)) is amended to continue with a national program that is consistent with the activities and results of the program prior to enactment of this paragraph, and funded from the Secretary through the Rural Utilities Service. $20,000,000 is authorized to be appropriated for fiscal year 2013 and each fiscal year thereafter.

Sec. 6005. Tribal College and University Essential Community Facilities

Tribal College and University Essential Community Facilities (7 U.S.C. 1926(a)(25(C)) is amended to decrease the current authorization of appropriations from $10,000,000 to $5,000,000 for each fiscal year through 2017.

Sec. 6006. Emergency and Imminent Community Water Assistance Grant Program

Emergency and Imminent Community Water Assistance Grant Program (7 U.S.C. 1926a(i)(2)) is amended to decrease the current authorization of appropriations from $35,000,000 to $27,000,000 for each fiscal year through 2017.

Sec. 6007. Grants to Nonprofit Organizations to Finance the Construction, Refurbishing, and Servicing of Individually-owned Household Water Well Systems in Rural Areas for Individuals with Low or Moderate Incomes

Grants to nonprofits to finance the construction, refurbishing, and servicing of individually-owned household water well systems (7 U.S.C. 1926e(d)) is amended to decrease the current authorization of appropriations from $10,000,000 to $5,000,000 for each fiscal year through 2017.

Sec. 6008. Rural Business and Industry Loan Program

The Consolidated Farm and Rural Development Act is amended (7 U.S.C. 932(a)(2)(A)) to authorize working capital as a loan purpose. The Business and Industry loan program (7 U.S.C. 1932(g)) is amended to allow, where the action would not create or contribute to an unreasonable risk of default or loss to the Federal Government, in the discretion of the Secretary, accounts receivables as security for a loan under this subsection.

Sec. 6009. Rural Cooperative Development Grants

Rural Cooperative Development Grants (7 U.S.C. 1932(e)(12)) is amended to decrease the current authorization level from $50,000,000 to $40,000,000 for each fiscal year through 2017.

Sec. 6010. Locally or Regionally Produced Agricultural Food Products

Locally or regionally produced agricultural food products (7 U.S.C. 1932(g)(9)(B)(v)(I)) is reauthorized through 2017. The Secretary shall reserve not more than 7 percent of funds made available to carry out this loan program for this authority.

Sec. 6011. Intermediary Relending Program

Subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922–1936a) is amended to authorize the Intermediary Relending Program. $10,000,000 is authorized to be appropriated for each fiscal year through 2017.

Sec. 6012. Enhancing Public/Private Partnerships to Support Rural Water and Waste Disposal Infrastructure

Water and waste disposal direct and guaranteed loans (7 U.S.C. 1983) are amended to encourage financing by private or cooperative lenders, to the maximum extent practicable, for rural water and waste disposal facilities by using loan guarantees where the population exceeds 5,500, using direct loans where the impact on rate payers will be material when compared to financing with a loan guarantee, establishing and applying a materiality standard regarding the difference in impact on rate payers, requiring projects that require interim financing in excess of $500,000 initially seek financing from private or cooperative lenders, and determining if an existing direct loan borrower can refinance with a private or cooperative lender prior to providing a new direct loan.

Sec. 6013. Simplified Applications

Amends the Consolidated Farm and Rural Development Act (7 U.S.C. 1983a) authorizing the Secretary, to the maximum extent practicable, develop a simplified application process, including single page applications where possible, for specific grants and relending programs authorized in this title. Within 2 years, after the date of enactment of this Act, the Secretary shall submit to Congress a report on the implementation of simplified applications.

Sec. 6014. Reauthorization of State Rural Development Councils

State Rural Development Councils (7 U.S.C. 2008m(h)) are reauthorized through 2017.

Sec. 6015. Grants for NOAA Weather Radio Transmitters

Grants for NOAA weather radio transmitters (7 U.S.C. 2008p(d)) are authorized to be appropriated at $1,000,000 for each fiscal year through 2017.

Sec. 6016. Rural Microentrepreneuer Assistance Program

The Rural Microentrepreneuer Assistance Program (7 U.S.C. 2008s(d)(2)) is amended to decrease the current authorization level from $40,000,000 to $20,000,000 for each fiscal year through 2017.

Sec. 6017. Delta Regional Authority

The Delta Regional Authority is reauthorized (7 U.S.C. 2009aa–13) and amended (7 U.S.C. 2009aa–12(a)) to decrease the current authorization level from $30,000,000 to $12,000,000 for each fiscal year through 2017.

Sec. 6018. Northern Great Plains Regional Authority

The Northern Great Plains Regional Authority (7 U.S.C. 2009bb–13) is reauthorized and amended (7 U.S.C. 2009bb–12(a)) to decrease the current authorization level from $30,000,000 to $2,000,000 for each fiscal year through 2017.

Sec. 6019. Rural Business Investment Program

The Rural Business Investment Program (7 U.S.C. 2009cc–18) is amended to decrease the current authorization level from $50,000,000 to $20,000,000 for each fiscal year through 2017.

SUBTITLE B—RURAL ELECTRIFICATION ACT OF 1936

Sec. 6101. Relending for Certain Purposes

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended to authorize loans for borrower relending to ultimate consumers for the purpose of energy efficiency. Loans and grants are also authorized under the Cushion of Credit Payments Program for relending to ultimate consumers for the purpose of energy efficiency.

Sec. 6102. Fees for Certain Loan Guarantees

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended to require that the Secretary, at the request of an electrification baseload generation loan guarantee borrower, charge an upfront fee that is equal to the costs of the loan guarantee to cover the costs of the loan guarantee. A borrower may not use funds from a loan or other debt obligation made or guaranteed by the Federal Government to pay the fee.

Sec. 6103. Guarantees for Bonds and Notes Issued for Electrification or Telephone Purposes

Guarantees for bonds and notes issued for electrification or telephone purposes (7 U.S.C. 940c–1(f)) are reauthorized.

Sec. 6104. Expansion of 911 Access

Expansion of 911 access (7 U.S.C. 940e(d)) is reauthorized.

Sec. 6105. Access to Broadband Telecommunications Services in Rural Areas

The Broadband Program (7 U.S.C. 950bb) is reauthorized and amended to provide a priority for applications that are not predominantly for business service but where at least 25 percent of customers in the proposed service territory are commercial interests. Publication of notice of applications shall include the amount and type of support requested and a list of the census block groups or tracts to be served. The Secretary is authorized to establish a process where an incumbent service provider that as of the date of the publication of notice of an application is providing broadband service to a remote rural area, may submit information to the Secretary information regarding the broadband services offered in the application's proposed service territory so that the Secretary may assess whether the application is an eligible project. The Secretary is also authorized to take into consideration the upgrade or replacement cost for construction or acquisition of facilities and equipment in considering the technology needs of customers in a proposed service territory.

SUBTITLE C—MISCELLANEOUS

Sec. 6201. Distance Learning and Telemedicine

Distance Learning and Telemedicine (7 U.S.C. 950aaa–5) is amended to decrease the current authorization level from $100,000,000 to $65,000,000 for each fiscal year through 2017.

Sec. 6202. Value-Added Agricultural Market Development Program Grants

Value-Added Agricultural Market Development Program Grants (7 U.S.C. 1632a(b)(7)) are reauthorized.

Sec. 6203. Agriculture Innovation Center Demonstration Program

The Agriculture Innovation Center Demonstration program (7 U.S.C. 1632b(i)) is amended to decrease the current authorization from $6,000,000 to $1,000,000 for each fiscal year through 2017.

Sec. 6204. Program Metrics

The Secretary is authorized to collect data regarding economic activities created through grants and loans and to measure the short- and long-term viability of award recipients and any entities to who those recipients provide assistance using award funds under certain authorities. The data shall be collected both during the award period and after the award period for a minimum of 2 years. Not later than 4 years after the date of enactment of this Act, and every 2 years thereafter, the Secretary shall submit to Congress a report that contains data collected including specific information on actions taken by the Secretary to utilize the data, the number of jobs, including self employment and the value of salaries and wages, how the grant or loan affected the local economy and any other benefit, as the Secretary deems appropriate.

Sec. 6205. Study of Rural Transportation Issues

An update on the study on rural transportation issues is authorized to be submitted not later than 1 year after the date of enactment of this Act to Congress.

Sec. 6206. Agricultural Transportation Policy

This section authorizes the Secretary of Agriculture to participate in all proceedings of the Surface Transportation Board that may establish freight rail transportation policy affecting agriculture and rural America.

Sec. 6207. Certain Federal Actions not to be Considered Major for Purposes of Environmental Review

An action of the Secretary that does not involve the provision of Federal dollars or a loan guarantee from the Department of Agriculture, including approval by USDA of a borrower's decision to commence a privately funded activity, a lien accommodation or subordination, a debt settlement or restructuring, or the restructuring of a business entity by a borrower, in the case of a loan, loan guarantee, or grant program in the rural development mission area of the Department of Agriculture, shall not be considered a major Federal action.

TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS

SUBTITLE A—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977

Sec. 7101. Option to not be Included as Hispanic-Serving Agricultural College or University

The National Agriculture, Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(10)(A)) is amended to allow Hispanic-serving Agricultural Colleges and Universities to opt out of the designation.

Sec. 7102. National Agricultural Research, Extension, Education, and Economics Advisory Board

The National Agricultural Research, Extension, Education, and Economics Advisory Board (7 U.S.C. 3123) is extended through September 30, 2017 and amended to provide authority for the board to consult with industry groups and make recommendations to the Secretary.

Sec. 7103. Specialty Crop Committee

Amends Specialty Crop Committee (7 U.S.C. 3123a) to authorize in its annual report recommendations regarding research, extension and teaching programs designed to improve competitiveness in the specialty crop industry.

Sec. 7104. Veterinary Services Grant Program

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is amended to provide the Secretary authority to establish a competitive grant program for the purpose of developing, implementing, and sustaining veterinary services. Grants shall only be made to qualified entities that substantially relieve veterinary shortage situations, support or facilitate private veterinary practices engaged in public health activities, or support or facilitate the practices of veterinarians who are or have completed services in emergency situations. The Secretary shall give preference to qualified entities that coordinate with other qualified entities, consider together the availability of funds and the grant purpose when selecting grant recipients, and consider these grants to be competitive research, extension or education grants. A qualified entity may use funds to relieve veterinary shortage situations and support vet services for any of 5 purposes. However, qualified entities operating a veterinary clinic may only use a grant to establish or expand veterinary practices and those entities are subject to an agreement with the Secretary that includes a term of service for the recipient where the Secretary shall consider together the amount and specific purpose of the grant. The agreement shall provide remedies for any breach by the recipient and a waiver of repayment based on extreme hardship as determined by the Secretary. Funds recovered shall be credited to the account carrying out this program and remain available until expended. Funds may not be used for the purpose of constructing a new building or facility, or to acquire, expand, remodel or alter an existing building or facility. The Secretary shall promulgate regulations for this section not later than 1 year after the date of enact-

ment of this section. There are authorized to be appropriated $10,000,000 for fiscal year 2013 and each fiscal year thereafter, to remain available until expended.

Sec. 7105. Grants and Fellowships for Food and Agriculture Sciences Education

Grants and Fellowships for Food and Agricultural Sciences Education (7 U.S.C. 3152(m)) is amended, decreasing the authorization of appropriations from $60,000,000 to $40,000,000 for each fiscal year through 2017.

Sec. 7106. Policy Research Centers

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155) is amended to authorize the Secretary to act through the office of the Chief Economist, and make competitive grants or cooperative agreements to policy research centers with a history of providing unbiased, nonpartisan economic analysis to Congress. Eligible recipients are amended to include other public research institutions and organizations. The Secretary shall give a preference to certain policy research centers that provide analysis to Congress. There are authorized to be appropriated $5,000,000 for each fiscal year through 2017.

Sec. 7107. Repeal of Human Nutrition Intervention and Health Promotion Research Program

Human Nutrition Intervention and Health Promotion Research (7 U.S.C. 3174) is repealed.

Sec. 7108. Repeal of Pilot Research Program to Combine Medical and Agricultural Research

Pilot Research Program to Combine Medical and Agricultural Research (7 U.S.C. 3174a) is repealed.

Sec. 7109. Nutrition Education Program

Nutrition Education Program (7 U.S.C. 3175(f)) is reauthorized.

Sec. 7110. Continuing Animal Health and Disease Research Programs

Continuing Animal Health and Disease Research Programs (7 U.S.C. 3195) is amended by decreasing the authorization of appropriations from $25,000,000 to $15,000,000 for each fiscal year through 2017.

Sec. 7111. Repeal of Appropriations for Research on National or Regional Problems

Appropriations for Research on National or Regional Problems (7 U.S.C. 3196) is repealed.

Sec. 7112. Grants to Upgrade Agricultural and Food Sciences Facilities at 1890 Land-Grant Colleges, including Tuskegee University

Grants to Upgrade Agricultural and Food Sciences Facilities at 1890 Land-Grant Colleges, including Tuskegee University (7 U.S.C. 3222b(b)) is reauthorized.

Sec. 7113. Grants to Upgrade Agriculture and Food Sciences Facilities and Equipment at Insular Area Land-Grant Institutions

Grants to Upgrade Agricultural and Food Sciences Facilities and Equipment at Insular Area Land-Grant Institutions (7 U.S.C. 3222b–2(d)) is reauthorized and amended (7 U.S.C. 3222b–2(a)) to authorize grants to support tropical and subtropical research, including pest and disease research.

Sec. 7114. Repeal of National Research and Training Virtual Centers

National Research and Training Virtual Centers (7 U.S.C. 3222c) is repealed.

Sec. 7115. Hispanic-Serving Institutions

Hispanic-Serving Institutions (7 U.S.C. 3241(c)) is reauthorized.

Sec. 7116. Competitive Grants for International Agricultural Science and Education Programs

Competitive Grants for International Agricultural Science and Education Programs (7 U.S.C. 3292b(c)) is authorized at $5,000,000 through for each fiscal year through 2017.

Sec. 7117. Repeal of Research Equipment Grants

Research Equipment Grants (7 U.S.C. 3310a) is repealed.

Sec. 7118. University Research

University Research (7 U.S.C. 3311) is reauthorized.

Sec. 7119. Extension Service

Extension Service (7 U.S.C. 3312) is reauthorized.

Sec. 7120. Auditing, Reporting, Bookkeeping, and Administrative Requirements

Section 1469 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3315) is amended to authorize the Secretary to retain not more than 4 percent of amounts made available for agricultural research, extension and teaching assistance programs towards administration, with the exception of peer panel expense or limitations on administrative expenses that are less than 4 percent.

Sec. 7121. Supplemental and Alternative Crops

Supplemental and Alternative Crops (7 U.S.C. 3319d) is amended to authorize competitive grants and authorized at $1,000,000 for each fiscal year through 2017.

Sec. 7122. Capacity Building Grants for NLGCA Institutions

Capacity Building Grants for NLGCA Institutions (7 U.S.C. 3319i(b)) is reauthorized.

Sec. 7123. Aquaculture Assistance Programs

Aquaculture Assistance Programs (7 U.S.C. 3322(b)) are amended to authorize competitive grants and decrease the authorization of appropriations from $7,500,000 to $5,000,000 for each fiscal year through 2017.

Sec. 7124. Rangeland Research Programs

Rangeland Research Programs (7 U.S.C. 3336(a)) is amended, decreasing the authorization of appropriations from $10,000,000 to $2,000,000 for each fiscal year through 2017.

Sec. 7125. Special Authorization for Biosecurity Planning and Response

Special Authorization for Biosecurity Planning and Response (7 U.S.C. 3351(a)) is authorized at $10,000,000 for each fiscal year through 2017.

Sec. 7126. Distance Education and Resident Instruction Grants Program for Insular Area Institutions of Higher Education

Distance Education and Resident Instruction Grants Program for Insular Area Institutions of Higher Education (7 U.S.C. 3362) is amended to authorize competitive grants at $2,000,000 for each fiscal year through 2017. Also, Resident Instruction Grants for Insular Areas (7 U.S.C. 3363) is authorized at $2,000,000 for each fiscal year through 2017.

Sec. 7127. Matching Funds Requirement

The National Agricultural, Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is amended to apply a match fund requirement to competitive grants involving applied research or extension that are commodity or State-specific under certain covered laws. The recipient shall provide a match of at least 100 percent of the amount of the grant, from sources other than funds provided through the grant. The Secretary is given the authority to waive the match requirement if the Advisory Board has determined that the applied research is a national priority. This provision will apply to grants awarded after Oct. 1, 2012, unless this authority is withstood.

SUBTITLE B—FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990

Sec. 7201. Best Utilization of Biological Applications

Best Utilization of Biological Applications (7 U.S.C. 5814) is authorized for each fiscal year through 2017.

Sec. 7202. Integrated Pest Management Systems

Integrated Pest Management Systems (7 U.S.C. 5821(d)) is authorized for each fiscal year through 2017.

Sec. 7203. Sustainable Agriculture Technology Development and Transfer Program

Sustainable Agriculture Technology Development and Transfer Program (7 U.S.C. 5831(f)) is authorized at $5,000,000 for each fiscal year through 2017.

Sec. 7204. National Training Program

National Training Program (7 U.S.C. 5832(9)) is authorized for each fiscal year through 2017.

Sec. 7205. National Genetics Resources Program

National Genetics Resources Program (7 U.S.C. 5844(b)) is authorized at $1,000,000 for each fiscal year through 2017.

Sec. 7206. Repeal of National Agricultural Weather Information System

National Agricultural Weather Information System (7 U.S.C. 5851 et seq.) is repealed.

Sec. 7207. Repeal of Rural Electronic Commerce Extension Program

Rural Electronic Commerce Extension Program (7 U.S.C. 5923) is repealed.

Sec. 7208. Repeal of Agricultural Genome Initiative

Agricultural Genome Initiative (7 U.S.C. 5924) is repealed.

Sec. 7209. High-Priority Research and Extension Initiatives

High-Priority Research and Extension Initiatives (7 U.S.C. 5925) is reauthorized and amended to repeal certain authorities. A waiver of the matching funds requirement is authorized if the project involves a pest that has been designated as a pest of public health significance. Reauthorizes pollinator protection and authorizes research on bed bugs and pests that are a risk to public health. An annual report is authorized to address honey bee health disorders and best management practices. The Secretary shall award grants for the purposes of developing more efficacious methods of detecting, preventing and managing bed bugs and conducting basic and applied bed bug biology research. A timeline is provided requiring that the Secretary publish a request for competitive grant proposals and for the evaluation and award of grants and the notification of any awards to the task force. Also provides for consultation and coordination between the Secretary and the Administrator of the EPA regarding the awarding of grants under this subsection and the evaluation of the results of such research projects to expedite the approval or registration under the Federal Insecticide, Fungicide, and Rodenticide Act of methods identified or discovered through research projects funded under this subsection.

Sec. 7210. Repeal of Nutrient Management Research and Extension Initiative

Nutrient Management Research and Extension Initiative (7 U.S.C. 5925a) is repealed.

Sec. 7211. Organic Agriculture Research and Extension Initiative

The Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) is reauthorized and amended to authorize a priority for grant proposals that, after the peer review process, are found to be scientifically meritorious under the criteria for priority under the farm business management grant authority. Of the funds of the Commodity Credit Corporation, $16,000,000 is authorized for each fiscal year through 2017.

Sec. 7212. Repeal of Agricultural Bioenergy Feedstock and Energy Efficiency Research and Extension Initiative

Agricultural Bioenergy Feedstock and Energy Efficiency Research and Extension Initiative (7 U.S.C. 5925e) is repealed.

Sec. 7213. Farm Business Management

Farm Business Management (7 U.S.C. 5925f(d)) is authorized at $5,000,000 for each fiscal year through 2017.

Sec. 7214. Regional Centers of Excellence

The Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f) is amended to authorize the Secretary to prioritize regional centers of excellence for specific agricultural commodities to receive funding for competitive research or extension programs. A regional center of excellence is composed of 1 or more of the eligible entities under the Agriculture and Food Research Initiative. Certain criteria will be considered for recognition as a center of excellence.

Sec. 7215. Repeal of Red Meat Safety Research Center

Red Meat Safety Research Center (7 U.S.C. 5929) is repealed.

Sec. 7216. Assistive Technology Program for Farmers with Disabilities

Assistive Technology Program for Farmers with Disabilities (7 U.S.C. 5933(c)(1)) is amended, decreasing the authorization of appropriations from $6,000,000 to $3,000,000 for each fiscal year through 2017.

Sec. 7217. National Rural Information Center Clearinghouse

National Rural Information Center Clearinghouse (7 U.S.C. 3125b(e)) is reauthorized.

SUBTITLE C—AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998

Sec. 7301. Relevance and Merit of Agricultural Research, Extension, and Education Funded by the Department

The Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(a)(2)) is amended to require procedures for review to address relevance for grants administered on a competitive basis by the National Institute of Food and Agriculture and provides for ongoing consultation between the Secretary and advisory board regarding merit review procedures.

Sec. 7302. Integrated Research, Education, and Extension Competitive Grants Program

Integrated Research, Education, and Extension Competitive Grants Program (7 U.S.C. 7626(e)) is reauthorized.

Sec. 7303. Repeal of Coordinated Program of Research, Extension, and Education to Improve Viability of Small and Medium Size Dairy, Livestock, and Poultry Operations

Coordinated Program of Research, Extension, and Education to Improve Viability of Small and Medium Size Dairy, Livestock, and Poultry Operations (7 U.S.C. 7627) is repealed.

Sec. 7304. Repeal of Bovine Johne's Disease Control Program

Bovine Johne's Disease Control Program (7 U.S.C. 7629) is repealed.

Sec. 7305. Grants for Youth Organizations

Grants for Youth Organizations (7 U.S.C. 7630(d)) is authorized at $3,000,000 for each fiscal year through 2017.

Sec. 7306. Specialty Crop Research Initiative

The Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632) is reauthorized and amended to include efforts to improve handling and processing. It is also amended to authorize competitive grants based on an initial scientific peer review conducted by a panel of subject matter experts and a final funding determination based on a review and ranking for merit, relevance and impact by an appropriate panel of specialty crop industry representatives. Of the funds of the Commodity Credit Corporation, $25,000,000 is authorized for fiscal year 2013; $30,000,000 for each fiscal years 2014 and 2015; $65,000,000 for fiscal year 2016 and $50,000,000 for fiscal year 2017 and each year thereafter.

Sec. 7307. Food Animal Residue Avoidance Database Program

Food Animal Residue Avoidance Database Program is reauthorized through 2017.

Sec. 7308. Repeal of National Swine Research Center

National Swine Research Center (P.L. 105–185; 112 Stat. 605) is repealed.

Sec. 7309. Office of Pest Management Policy

Office of Pest management Policy (7 U.S.C. 7653(f)) is authorized at $3,000,000 for each fiscal year through 2017.

Sec. 7310. Repeal of Studies of Agricultural Research, Extension, and Education

Studies of Agricultural Research, Extension and Education (7 U.S.C. 7671 et seq.) is repealed.

SUBTITLE D—OTHER LAWS

Sec. 7401. Critical Agricultural Materials Act

Critical Agricultural Materials Act (7 U.S.C. 178n(a)) is authorized at $2,000,000 for each fiscal year through 2017.

Sec. 7402. Equity in Educational Land-Grant Status Act of 1994

Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; P.L. 103–382) is amended to update and add colleges to the list of 1994 institutions. Section 533 extends the authorization

of appropriations and the consideration of 1994 Institutions as land-grant colleges eligible to participate in the youth-at-risk and the federally recognized Tribes Extension Program implemented under section 3(d) of the Smith-Lever Act. Section 535 reauthorizes Institutional Capacity Building Grants. Section 536 expands the list of partners eligible to enter into cooperative agreements with 1994 Institutions to conduct research from land-grant colleges or universities only, to include ARS, Non-land Grant College of Agriculture, or McIntyre-Stennis recognized schools of forestry and authorizes funds to be appropriated as necessary for each of the fiscal years through 2017.

Sec. 7403. Research Facilities Act

Research Facilities Act (7 U.S.C. 390d(a)) is reauthorized.

Sec. 7404. Repeal of Carbon Cycle Research

Carbon Cycle Research (7 U.S.C. 6711) is repealed.

Sec. 7405. Competitive, Special, and Facilities Research Grant Act

Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450(i)) is reauthorized. Plant based foods that are a major source of nutrients, zoonotic diseases in wildlife reservoirs presenting potential concern to public health or domestic livestock, animal drugs for minor species and minor uses in major species and conservation efforts addressing nutrient loss and water quality are authorized as priority areas for competitive grants. Requires the Secretary to establish procedures under which State or Federal commodity promotion entities may directly submit proposals for requests for applications for grants to address issues related to established priorities. Also authorizes the Secretary to provide grants to eligible entities for research proposals submitted by State or Federal commodity promotion entities. The emphasis on sustainable agriculture is repealed.

Sec. 7406. Renewable Resources Extension Act of 1978

Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is reauthorized.

Sec. 7407. National Aquaculture Act of 1980

National Aquaculture Act of 1980 (16 U.S.C. 2809) is reauthorized.

Sec. 7408. Repeal of Use of Remote Sensing Data

Use of Remote Sensing Data (7 U.S.C. 5935) is repealed.

Sec. 7409. Repeal of Reports under Farm Security and Rural Investment Act of 2002

Reports under Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925b note, PL 107–171) (PL 107–171; 116 Stat. 462) (7 U.S.C. 5925a note; PL 107–171) is repealed.

Sec. 7410. Beginning Farmer and Rancher Development Program

Sec. 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is amended to authorize competitive grants towards certain programs and services and provide a priority for

school based agriculture education organizations. At least 5 percent of funds shall be used to support programs and services addressing the needs of beginning farmers and ranchers who are also military veterans. These grant recipients are encouraged to coordinate with recipients under the Assistive Technology Program for Farmers with Disabilities. Of the funds of the Commodity Credit Corporation, $10,000,000 is authorized for each fiscal year through 2017, to be available until expended.

Sec. 7411. Inclusion of Northern Mariana Islands as a State under McIntire-Stennis Cooperative Forestry Act

Public Law 87–788, commonly known as the McIntire-Stennis Cooperative Forestry Act (16 U.S.C. 582a–7) is amended to include the Commonwealth of the Northern Mariana Islands as a state.

SUBTITLE E—FOOD, CONSERVATION, AND ENERGY ACT OF 2008

Sec. 7501. Agricultural Biosecurity Communication Center

Agricultural Biosecurity Communication Center (7 U.S.C. 8912(c)) is authorized at $2,000,000 for each fiscal year through 2017.

Sec. 7502. Assistance to Build Local Capacity in Agricultural Biosecurity Planning, Preparation, and Response

Assistance to Build Local Capacity in Agricultural Biosecurity Planning, Preparation and Response (7 U.S.C. 8913) is each authorized at $15,000,000 for each fiscal year through 2017.

Sec. 7503. Research and Development of Agricultural Countermeasures

Research and Development of Agricultural Countermeasures (7 U.S.C. 8921(b)) is amended, decreasing the authorization from $50,000,000 to $15,000,000 for each fiscal year through 2017.

Sec. 7504. Agricultural Biosecurity Grant Program

Agricultural Biosecurity Grant Program (7 U.S.C. 8922(e)) is authorized at $5,000,000 for each fiscal year through 2017, to remain available until expended.

Sec. 7511. Enhance Use Lease Authority Pilot Program

Enhanced Use Lease Authority Pilot Program (7 U.S.C. 3125a) is reauthorized through 2017.

Sec. 7512. Grazinglands Research Laboratory

Grazinglands Research Laboratory (P.L. 110–246;122 Stat 2019) is reauthorized through 2017.

Sec. 7513. Budget Submission and Funding

Section 7506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7641c) is amended to add a budget and funding submission requirement. The budget submission shall include for each funding request for covered programs, certain baseline for each covered program, including the location and staff years of each covered program carried out by ERS or ARS, and specific information for each request for awards under certain authorities. Covered pro-

grams may not be carried out during the fiscal year if required information is not submitted with the budget. A report is authorized containing a description of the agricultural research, extension and education activities carried out by the Federal government during the fiscal year immediately preceding.

Sec. 7514. Repeal of Research and Education Grants for the Study of Antibiotic-Resistant Bacteria

Research and Education Grants for the Study of Antibiotic-Resistant Bacteria (7 U.S.C. 3202) is repealed.

Sec. 7515. Repeal of Farm and Ranch Stress Assistance Network

Farm and Ranch Stress Assistance Network (7 U.S.C. 5936) is repealed.

Sec. 7516. Repeal of Seed Distribution

Seed Distribution (7 U.S.C. 415–1) is repealed.

Sec. 7517. Natural Products Research Program

Natural Products Research Program (7 U.S.C. 5937(e)) is authorized at $7,000,000 for each fiscal year through 2017.

Sec. 7518. Sun Grant Program

Sec. 7526 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114) is amended to authorize the Secretary to coordinate among appropriate Federal agencies. Grants are authorized to be used towards integrated, multistate research, extension and education programs on technology development and implementation. Funding allocations for specific programs are repealed. Requirements for the plan for research activities to be funded to address bioproducts and priorities of appropriate Federal agencies are amended. The Sun Grant Program is reauthorized.

Sec. 7519. Repeal of Study and Report on Food Deserts

Study and Report on Food Deserts (PL 110–246, 112 Stat. 2039) is repealed.

Sec. 7520. Repeal of Agricultural and Rural Transportation Research and Education

Agricultural and Rural Transportation Research and Education (7 U.S.C. 5938) is repealed.

Sec. 7521. Conveyance of Land Comprising Subtropical Horticulture Research Station

The Secretary is authorized to convey land comprising subtropical horticulture research station in exchange for an amount of cash equal to the market value of the property from Miami-Dade County in the state of Florida. The Secretary shall deposit all funds received from the conveyance into the Treasury of the United States, to be credited to the appropriation for the Agricultural Research Service, until expended, for the operation, upkeep and maintenance of the Subtropical Horticulture Research Station.

Sec. 7522. Concessions, Fees, and Voluntary Services at National Arboretum

The Act of March 4, 1927 (20 U.S.C. 196) is amended to allow the Secretary to grant concessions to nonprofit organizations that support the purpose of the National Arboretum. In addition, a nonprofit organization granted a concession may recognize donors if such recognition is approved by the Secretary.

Sec. 7523. Cotton Disease Research Report

Not later than 180 days after enactment of this Act, the Secretary shall submit to Congress a Cotton Disease Research Report.

Sec. 7524. Miscellaneous Technical Corrections

The Food, Conservation, and Energy Act of 2008 (PL 110–246; 122 Stat. 2013) is amended to make a technical correction.

TITLE VIII—FORESTRY

SUBTITLE A—REPEAL OF CERTAIN FORESTRY PROGRAMS

Sec. 8001. Forest Land Enhancement Program

Section 8001 amends section 4 of the Cooperative Forestry Assistance Act of 1978 by repealing the Forest Land Enhancement Program.

Sec. 8002. Watershed Forestry Assistance Program

Section 8002 amends section 6 of the Cooperative Forestry Assistance Act of 1978 by repealing the Watershed Forestry Assistance Program.

Sec. 8003. Expired Cooperative National Forest Products Marketing Program

Section 8003 amends section 18 of the Cooperative Forestry Assistance Act of 1987 by repealing the Cooperative National Forest Products Marketing Program.

Sec. 8004. Hispanic-Serving Institution Agricultural Land National Resources Leadership Program

Section 8004 amends section 8402 of the Food, Conservation, and Energy Act of 2008 by repealing the Hispanic-serving Institutional Agricultural Land National Resources Leadership Program.

Section 8005. Tribal Watershed Forestry Assistance Program

Section 8005 amends section 303 of the Healthy Forests Restoration Act of 2003 by repealing the Tribal Watershed Forestry Assistance Program.

SUBTITLE B—REAUTHORIZATION OF COOPERATIVE FORESTRY ASSISTANCE ACT OF 1978 PROGRAMS

Sec. 8101. Forest Legacy Program

Section 8101 amends section 7 of the Cooperative Forestry Assistance Act of 1978 by reauthorizing the Forest Legacy Program through FY 2017 at $55,000,000 for each fiscal year 2013 through 2017.

Section 8102. Community Forest and Open Space Conservation Program

Section 8102 amends section 7A of the Cooperative Forestry Assistance Act of 1978 by reauthorizing the Community Forest and Open Space Conservation Program at $1,500,000 for each fiscal year 2013 though 2017.

SUBTITLE C—REAUTHORIZATION OF OTHER FORESTRY-RELATED LAWS

Sec. 8201. Rural Revitalization Technologies

Section 8201 amends section 2371 of the Food, Agriculture, Conservation, and Trade Act of 1990 by reauthorizing the Rural Revitalization Technologies at the current level of $5,000,000 for each fiscal year through 2017.

Sec. 8202. Office of International Forestry

Section 8201 amends section 2405 of the Global Climate Change Prevention Act of 1990 by reauthorizing the Office of International Forestry within the Forest Service at $6,000,000 for each fiscal year 2013 though 2017.

Sec. 8203. Change in Funding Source for Healthy Forest Reserve Program

Section 8203 amends section 508 of the Healthy Forests Restoration Act of 2003 by making the Healthy Forest Reserve Program subject to appropriated funds at an authorization level of $9,750,000 for each fiscal year 2013 through 2017. The section further allows the Secretary to use funds appropriated for a given fiscal to carry out the Soil Conservation and Domestic Allotment Act, if necessary to cover the cost of technical assistance, management, and enforcement responsibilities for land enrolled in the program as permanent easements or 30-year easements.

Sec. 8204. Stewardship End Result Contracting Project Authority

Section 8204 amends section 347 of the Department of the Interior and Related Agencies Appropriations Act by reauthorizing Forest Service's stewardship end contracting authority through FY 2017.

SUBTITLE D—NATIONAL FOREST CRITICAL AREA RESPONSE

Sec. 8301. Definitions

Section 8301 defines the terms "critical area" and "National Forest system" for the purposes of the title.

Sec. 8302. Designation of Critical Areas

Subsection (a) requires the Secretary to designate critical areas within the National Forest System for the purposes of addressing deteriorating forest health conditions in existence at the time of this Act due to insect infestation, drought, disease, or storm damage as well as future risk of insect infestations or disease outbreaks.

Subsection (b) directs the Secretary to use the most recent annual forest health aerial surveys of mortality and defoliation for the purpose of determining deteriorating forest health conditions at

the time of this Act and the National Insect and Disease Risk Map for the purpose determining of future risk when considering National Forest System land for designation as a critical area.

Subsection (c) requires the Secretary to designate the first critical areas no later than 60 days after enactment of this Act.

Subsection (d) establishes that a critical area designation under this subtitle shall last for 10 years.

Sec. 8303. Application of Expedited Procedures and Activities of the Healthy Forest Restoration Act of 2003 to Critical Areas

Subsection (a), subject to specified modifications within the section, allows for the application of authorities of title I of the Healthy Forests Restoration Act of 2003 to all Forest Service projects and activities carried out in a designated critical area.

Subsection (b) exempts projects conducted in accordance with this section from section 322 of Public Law 102–381 which prohibits the use of appropriations to complete and issue the five-year program under the Forest and Rangeland Renewable Resources Planning Act.

Subsection (c) requires the Secretary to make the following modifications when applying title I authorities to Forest Service projects and activities in a critical area: (1) the authority should apply to the entire critical area; and (2) all projects and activities of the Forest Service shall be considered to be authorized hazardous fuel reduction projects for the purpose of applying this title.

Subsection (d) excludes projects that comprise less than 1,000 acres from the requirements for an environmental assessment or an environmental impact statement. The exclusion does not apply to: land in the National Wilderness Preservation System; any Federal land on which, by an Act of Congress or Presidential proclamation, removal of vegetation is restricted; a congressionally designated wilderness study area; or an area in which the activity would be inconsistent with the applicable land and resource management plan.

Subsection (e) requires that all projects and activities carried out in a critical area pursuant to the subtitle shall be consistent with land and resource management plans.

Sec. 8304. Good Neighbor Authority

Subsection (a) defines the terms "eligible State" and "State forester" for the purposes of the section.

Subsection (b) gives the Secretary authority to enter into cooperative agreements or contracts with a State forester authorizing the State forester to provide the forest, rangeland, and watershed restoration and protection services on National Forest System land in the eligible State. Restoration and protection services include activities to treat insect infected trees, activities to reduce hazardous fuels, and any other activities to restore or improve forest, rangeland, and watershed health. Such cooperative agreement or contract may authorize the State forester to serve as the agent for the Secretary in providing those authorized services. A State forester may enter into subcontracts to provide those authorized services if it is in accordance with applicable contract procedures for the eligible State. Any decision required to be made under NEPA may not

be delegated to a State forester or any other officer or employee of the eligible State under this section.

Services performed under such cooperative agreement or contract shall be exempt from subsections (d) and (g) of section 14 of the National Forest Management Act of 1976. Subsection (d) of that Act requires the Secretary to advertise all timber sales unless extraordinary conditions exist or the appraised value of the sale is less than $10,000. Subsection (g) of that Act requires that designation and marking, and supervision of harvesting of trees be conducted by persons employed by the Secretary and have no personal interest in the purchase or harvest of such products nor be in the direct or indirect employ of the purchaser.

The restoration and protection services under this section shall be carried out on a project-by-project basis under existing Forest Service authorities.

SUBTITLE E—MISCELLANEOUS PROVISIONS

Sec. 8401. Revision of Strategic Plan for Forest Inventory and Analysis

Subsection (a) requires the Secretary to, not later than 180 days after enactment of this Act, revise the strategic plan for forest inventory and analysis to address the new requirements imposed by this section.

Subsection (b) enumerates a list of new requirements for the purpose of revising the strategic plan for forest inventory and analysis.

Subsection (c) requires the Secretary to submit the revised strategic plan to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Sec. 8402. Forest Service Participation in ACES Program

Section 8402 allows the Forest Service to use certain Forest Service funds for the purpose of using the Agricultural Conservation Experienced Services (ACES) Program to provide technical services for conservation-related programs and authorities carried out on Forest Service System lands.

TITLE IX—ENERGY

Sec. 9001. Definition of Renewable Energy System

Section 9001 amends section 9001 of the Farm Security and Rural Investment Act of 2002 by modifying the definition of "biobased product" and adding a definition of "forest product" to ensure that mature forest products are treated in the same manner as other biobased products. The section also adds a definition for "renewable energy system" which limits the eligible projects in the Rural Energy for America Program.

Sec. 9002. Biobased Markets Program

Section 9002 amends section 9002 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the Biobased Markets Program with discretionary funding authorized at $2 million per fiscal year through 2017.

Sec. 9003. Biorefinery Assistance

Section 9003 amends section 9003 of the Farm Security and Rural Investment Act of 2002 by eliminating grant funding in the Biorefinery Assistance Program to ensure that program funding is spent more efficiently through loan guarantees with discretionary funding at $75 million per fiscal year through 2017.

Sec. 9004. Repeal of Repowering Assistance Program and Transfer of Remaining Funds

Section 9004 amends section 9004 of the Farm Security and Rural Investment Act of 2002 by repealing the Repowering Assistance Program and transferring any remaining funds to the Rural Energy for America Program.

Sec. 9005. Bioenergy Program for Advanced Biofuels

Section 9005 amends section 9005 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the Bioenergy Program for Advanced Biofuels with discretionary funding at $50 million per fiscal year through 2017.

Sec. 9006. Biodiesel Fuel Education Program

Section 9006 amends section 9006 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the Biodiesel Fuel Education Program with discretionary funding at $2 million per fiscal year through 2017.

Sec. 9007. Rural Energy for America Program

Section 9007 amends section 9007 of the Farm Security and Rural Investment Act of 2002 by eliminating the authority for feasibility studies, creating a three-tiered application process, and reauthorizing the Rural Energy for America Program with discretionary funding at $45 million per fiscal year through 2017.

Sec. 9008. Biomass Research and Development

Section 9008 amends section 9008 of the Farm Security and Rural Investment Act of 2002 by reauthorizing Biomass Research and Development with discretionary funding at $20 million per fiscal year through 2017.

Sec. 9009. Feedstock Flexibility Program for Bioenergy Producers

Section 9009 amends section 9010 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the Feedstock Flexibility Program for Bioenergy Producers through 2017.

Sec. 9010. Biomass Crop Assistance Program

Section 9010 amends section 9011 of the Farm Security and Rural Investment Act of 2002 by eliminating collection, harvest, storage, and transportation ("CHST") payments and reauthorizing the program with discretionary funding at $75,000,000 per fiscal year through 2017. This section also adds "existing project areas that have received funding" to the factors the Secretary shall consider when selecting project areas.

Sec. 9011. Community Wood Energy Program

Section 9011 amends section 9013 of the Farm Security and Rural Investment Act of 2002 by reauthorizing the Community Wood Energy Program with discretionary funding at $2 million per fiscal year through 2017.

Sec. 9012. Repeal of Biofuels Infrastructure Study

Section 9012 amends section 9002 of the Food, Conservation, and Energy Act of 2008 by repealing the Biofuels Infrastructure Study.

Sec. 9013. Repeal of Renewable Fertilizer Study

Section 9013 amends section 9003 of the Food, Conservation, and Energy Act of 2008 by repealing the Renewable Fertilizer Study.

TITLE X—HORTICULTURE

Sec. 10001. Specialty Crops Market News Allocation

Section 10001 amends section 10107 of the Food, Conservation, and Energy Act of 2008 by reauthorizing appropriations for specialty crop news market services at $9,000,000 for each fiscal year, through FY 2017.

Sec. 10002. Repeal of Grant Program To Improve Movement of Specialty Crops

Sec. 10002 amends section 10403 of the Food, Conservation, and Energy Act of 2008 repealing the grant program to improve movement of specialty crops.

Sec. 10003. Farmers Market and Local Food Promotion Program

Sec. 10003 amends section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 and the Farmers Market and Local Food Promotion Program. The section includes "local food" in the title and establishment section. It further clarifies the purposes section of the program to highlight "locally and regionally produced agricultural products".

The section includes a matching fund requirement at 25 percent for entities carrying out local and regional food business enterprises. It limits the use of grant money by prohibiting its use for purchase, construction, or rehabilitation of buildings or structure.

The section makes available $20,000,000 in mandatory funding each year and maintains the authorization for $10,000,000 for the program for each fiscal year 2013 through FY 2017. Of the funds made available, 50 percent is reserved for activities related to direct producer-to-consumer market opportunities, such as farmers' market and roadside stands; and 50 percent is reserved for activities of local and regional food business enterprises that process, distribute, aggregate, and store locally or regionally produced food products. Not more than 5 percent of the total amount of funds made available to the program can be used for administrative expenses.

Sec. 10004. Organic Agriculture

Subsection (a) amends section 7407 of the Farm Security and Rural Investment Act of 2002 by extending the Organic Production and Market Data Initiatives through FY 2017 at $5,000,000 for

each fiscal year. In addition to appropriated funds, the subsection makes available $5,000,000 in mandatory funds to remain available until expended.

Subsection (b) amends section 2122 of the Organic Foods Production Act of 1990 and the National Organic Program to include a section requiring the Secretary to modernize database and technology systems for the program.

Subsection (c) amends section 2123 of the Organic Foods Production Act of 1990 by reauthorizing the program at the current level of $11,000,000 for each fiscal year through FY 2017. In addition to appropriated funds, the subsection makes available $5,000,000 in mandatory funds to remain available until expended.

Subsection (d) amends section 10606 of the Farm Security and Rural Investment Act of 2002 by repealing the National Organic Certification Cost-share Program.

Sec. 10005. Investigations and Enforcement of the Organic Foods Production Act of 1990

The Organic Foods Production Act of 1990 (7 U.S.C. 6521) is amended to authorize the Secretary to take investigative actions necessary to carry out this title to verify the accuracy of information and determine whether a person covered by this title has committed a violation of any provision of this title. The Secretary is authorized to administer oaths and affirmations, subpoena witnesses, take evidence and require the production of records required to be maintained under this title, relevant to the investigation. It is an unlawful act for any person covered by this title to refuse to provide information required by the Secretary under this title or to violate a suspension or revocation of either the organic certification of a producer or handler or the accreditation of a certifying agent. The Secretary may suspend, after notice and opportunity for an expedited administrative hearing, the organic certification or accreditation if the Secretary has reason to believe that a covered person has violated or is violating any provision of this title. The decision to suspend a certification may be appealed to a U.S. district court no later than 30 days after such decision is made and shall not take effect until judicial review of the decision is completed. If the Secretary, subsequent to an investigation, determines that a violation has occurred, the suspension shall remain in effect until the Secretary issues a revocation of the certification or the accreditation, after an expedited administrated appeal is completed. After the appeal, if a violation of this title is determined to have occurred, the Secretary shall revoke the certification or the accreditation. A revocation of a certification or accreditation may be appealed to a U.S. district court within 30 days of the revocation. A revocation shall be set aside only if the revocation is clearly erroneous. The Secretary may apply to the appropriate U.S. district court for enforcement of a final revocation, and the court shall enforce the revocation. Civil penalties under the title are authorized if there is a violation of the revocation.

Sec. 10006. Food Safety Education Initiatives

Section 10006 amends section 10105 of the Food, Conservation, and Energy Act of 2008 by extending the authorization of appro-

priations for Food Safety Education Initiatives at $1,000,000 through FY 2017.

Sec. 10007. Specialty Crop Block Grants

Section 10007 amends section 101 of the Specialty Crops Competitiveness Act of 2004 by changing the grant allocation formula. It makes available $70,000,000 in mandatory funding for the Specialty Crop Block Grants for each fiscal year, 2013 through 2017. The section requires the Secretary, not later than 180 days after the effective date of this Act, to issue guidance for the purpose of making grants to multistate projects and designates mandatory funds for such purposes. The Secretary may not use more than 3 percent of the funds made available for a fiscal year for administrative expenses. A State receiving a Specialty Crop Block Grant may not use more than 8 percent of the funds received under the grant for a fiscal year for administrative expenses.

Sec. 10008. Report on Honey

Subsection (a) requires the Secretary, in consultation with stakeholders, to submit a report to the Commissioner of the FDA, describing how an appropriate Federal standard for identifying honey would be in the interest of consumers and the honey industry. The Secretary shall submit such a report not later than 180 days of the date of enactment of this Act.

Subsection (b) requires the Secretary to consider the March, 2006, Standard of Identity citizens' petition filed with the FDA, including any current industry amendments or clarifications, when preparing such a report.

Sec. 10009. Bulk Shipments of Apples to Canada

Subsection (a) exempts apples shipped to Canada in bulk bins from the provisions of the Export Apple Act.

Subsection (b) amends the definitions section of the Export Apple Act to include a definition of the term "bulk bin".

Subsection (c) requires the Secretary to issue regulations to carry out the amendments, not later than 60 days after the date of enactment of this Act.

Sec. 10010. Inclusion of Olive Oil in Import Controls under the Agricultural Adjustment Act

Section 10010 amends section 8e of the Agricultural Adjustment Act to include olive oil in the list of commodities regulated by import controls.

Sec. 10011. Petitions to Determine Organism Not a Plant Pest

The Plant Protection Act (7 U.S.C. 7711) is amended to expand the scope and clarify the procedures of the process by which a person may petition the Secretary for a determination that an organism that is subject to regulation by the Secretary as a plant pest is not a plant pest. In reviewing a petition, the Secretary shall conduct a plant pest risk assessment as well as an environmental analysis of any likely adverse effects of such organism on the soil, water, air quality, non-target organisms, and listed threatened and endangered species and the critical habitat of such species for the environment in which such organism is likely to be grown or other-

wise used under the conditions in the petition. The Secretary shall issue a determination that an organism is not a plant pest if, based on sound science and the plant pest risk assessment, the Secretary determines that the organism is not likely to be a plant pest. The Secretary shall complete the risk assessment and authorized environmental analysis and issue a determination not later than 1 year after the Secretary determines that a petition is complete. The Secretary may extend the 1 year review period for an additional 180 days if the Secretary determines the additional review is necessary, after written notification to the person submitting the petition. Notwithstanding any other provision of law, if after completing the risk assessment, the Secretary finds there is no reason to believe that an organism is a plant pest and does not grant or deny a petition within the time period required, such organism shall be deemed not to be a plant pest.

If an organism contains a plant-incorporated protectant, a determination made that an organism is not a plant pest or the deeming that an organism is not a plant pest shall not be effective until the registration of the plant-incorporated protectant is approved under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.). Notwithstanding a determination that an organism is not a plant pest or that such organism has been deemed not to be a plant pest, the Secretary may issue a determination, based on information discovered after the date of such determination or the date on which the organism was so deemed and sound science that an organism is a plant pest.

The Secretary shall publish notice in the Federal Register of a grant or denial of a petition or a deeming that such organism is not a plant pest. The risk assessment and environmental analysis shall be provided to the person who submitted a petition and made available to the public.

Notwithstanding any other provision of law, the environmental analysis required here shall be the only analysis or procedure regarding the effects on the environment of an organism that is the subject of a petition required or authorized by law with respect to reviewing and taking action on such petition. No funds made available by any act shall be obligated, expended or used for any environmental analysis or procedure other than the environmental analysis required here for petitions. The Secretary shall also not require or solicit any financial assistance from a person submitting a petition for any environmental analysis or procedure required here, or for any other analysis or procedure.

Notwithstanding any other provision of law, the Secretary shall use data collected under a permit, with respect to an organism, among other relevant data, for the purposes of the review of a petition submitted with respect to such organism, and shall use the analysis or procedures required under the regulations issued under the Federal Plant Pest Act, continued in effect in accordance with section 438(c), as the only analyses or procedures required or authorized by law with respect to reviewing and taking action on an application for a permit.

Notwithstanding any other provision of law, in reviewing an application for a permit that is not currently excluded from environmental review, the Secretary shall conduct the environmental analysis authorized here. Such analysis shall be the only environmental

analysis or procedure required or authorized by law with respect to reviewing and taking action on this type of permit.

Notwithstanding any other provision of law, including section 411A of the Plant Protection Act, if the Secretary determined that a petition submitted before the date of enactment of this section was complete before such date, the Secretary shall consider such petition to remain complete and maintain such status. Notwithstanding any other provision of law, including subsection (c) of section 411 of this Act, if the Secretary determined that a permit application submitted before the date of enactment of this section was complete before such date, the Secretary shall consider such application to remain complete and maintain such status.

Notwithstanding any other provision of law, the Secretary shall use any environmental analysis conducted for purposes of a petition before the date of enactment of this section with respect to an organism to the greatest extent possible to complete the environmental analysis conducted under section 411A of this Act for a petition. Notwithstanding any other provision of law, the Secretary shall use any environmental analysis conducted for purposes of a permit application before the date of enactment of this section with respect to an organism to the greatest extent possible to complete any environmental analysis that may be required for this type of permit after the date of enactment.

The Secretary shall determine the length of the period for the review of petitions that were pending review on the date of the enactment of this section. Notwithstanding any other provision of law, for each covered petition, if the Secretary finds that there is no reason to believe that the subject organism is a plant pest, and the petition is not granted or denied, not later than 90 days after enactment of this section, such organism shall be deemed not to be a plant pest. A covered petition is a petition submitted before the date of enactment of this section for which a plant pest risk assessment and an environmental assessment have been published and a notice and comment period have been completed as of the date of enactment. Not later than 180 days after the date of enactment of this section, the Secretary shall issue such regulations as the Secretary considers necessary to carry out the amendments made by this section.

Sec. 10012. Consolidation of Plant Pest and Disease Management and Disaster Prevention Programs

Amends the Plant Protection Act to authorize the National Clean Plant Network, as previously authorized in the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7761). The use of any Commodity Credit Corporation funds under this section to provide technical assistance shall not be considered an allotment or fund transfer from the Corporation for the purposes of the limit on expenditure for technical assistance imposed by the Corporation's Charter Act (7 U.S.C. 714i). The section makes available $71,500,000 in mandatory funds for fiscal year 2013 and each fiscal year thereafter.

Sec.10013. Authority for Regulation of Plants

Any living stage of a plant, including any nucleic acid or other genetic material as contained in such plant, shall be exclusively subject to regulation under statutes which authorize the Secretary

of Agriculture to issue regulations with respect to plants. However, a pesticidal substance that is contained in a plant, subjected to the Plant Protection Act and intended for preventing, destroying, repelling, or mitigating any pest shall be subject to regulation as a plant incorporated protectant under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.). The regulations issued by the Administrator of the Environmental Protection Agency for plant-incorporated protectants shall be based on sound science, use the least burdensome requirements, and provide for exemptions from the requirements otherwise applicable to pesticides that are not plant-incorporated protectants.

Sec.10014. Report to Congress on Regulation of Biotechnology

Not later than 1 year after the date of enactment of this section, the Secretary in consultation with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency shall submit to Congress a report on the measures taken and proposed to be taken to provide for balanced and appropriate regulatory oversight of agricultural biotechnology products.

Sec. 10015. Pesticide Registration Improvement

Section 4 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)) is amended by authorizing the total amount of maintenance fees collected in the aggregate to $27,800,000 through fiscal year 2017. The maximum amount of fees payable by a registrant holding not more than 50 pesticide registrations is $115,500, and for one holding over 50 pesticide registrations, $184,800 through fiscal year 2017. The maximum amount of fees payable by a registrant that is a small business holding not more than 50 pesticide registrations is $70,600, and for one holding over 50 pesticide registrations, $122,100 through fiscal year 2017.

The Administrator is also authorized to provide a waiver in the amount of 25 percent of the fee applicable to the first registration of a qualified small business not formed or manipulated primarily for the purpose of qualifying for the waiver. The paragraph on maintenance fees is reauthorized through 2017.

The abatement of other fees not included in sections 4 or 33 of FIFRA is extended. Section 408(m)(3) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(m)(3)) is extended to reauthorize the abatement of tolerance fees through fiscal year 2017.

The Reregistration and Expedited Processing Fund is authorized to offset costs to enhance information systems capabilities to improve the tracking of pesticide registration decisions.

Amends the Act to authorize the Administrator to use between 1/9 and 1/8 of maintenance fees collected in a fiscal year to review and evaluate inert ingredients through fiscal year 2017. The Reregistration and Expedited Processing Fund is also authorized to offset costs, in an amount not to exceed $800,000, to improving information systems capabilities for the Office of Pesticide Programs to enhance tracking of registration actions and status of conditional registrations, allow electronic capability of review of labels and confidential statements of formula in registration actions, and enhance database capabilities for information on endangered species assessments in the registration review process.

Section 33 of this Act is amended to update the schedule of covered pesticide registration applications and corresponding fees and require its publication. Fee adjustments for covered pesticide registration applications are reauthorized. The Act is amended to allow the Administrator to provide a refund of a portion of a covered registration service fee on the basis that the application is rejected based on the initial content and preliminary technical screening.

The worker protection set aside in the Pesticide Registration Fund is reauthorized through fiscal year 2017. $500,000 each fiscal year through 2017 shall be used out of the fund for partnership grants. The pesticide safety education program is reauthorized through fiscal year 2017.

Authorization to assess registration service fees is made contingent upon an amount of appropriations for salaries, contracts, and expense for functions as of fiscal year 2012, of the Office of Pesticide Programs equal or greater to the amount of appropriations for covered functions for fiscal year 2012. The measure of compliance allowing a decline of 3 percent to be regarded as equal to the amount of appropriations is repealed.

This Act is amended to update the schedule of decision review periods for covered pesticide registration actions and fees and require its publication. The start of the decision time review period begins after the receipt of the covered pesticide registration application and fee. The Administrator is also authorized to provide for a preliminary technical screening in addition to the current authorization for initial content. The preliminary technical screening shall be conducted not later than 45 or 90 days, whichever is appropriate, after the date on which the decision time review period begins. The Administrator is authorized to reject the application at any time before the completion of the authorized preliminary technical screening if it is determined that the application failed the initial content or preliminary technical screening and the failure is not corrected before the date that is 10 business days after the applicant receives notification of the failure. The Administrator shall determine whether an application appears to contain necessary forms, data and draft labeling in conducting an initial content screening. A preliminary technical screening determines whether the application including the data and information submitted are accurate and complete, as well as consistent with the proposed labeling and any proposal for a tolerance or exemption from the requirement for a tolerance under the FFDCA and could result in the granting of the application.

The annual report describing pesticide registration fees is reauthorized through March 1, 2017, including new information regarding the number of extensions of decision time review periods, progress towards carrying out section 4(k)(4) and the amounts from the Reregistration and Expedited Processing Fund used for the purposes described, implementing the new electronic tracking system, the number of applications rejected by the Administrator under the initial content and preliminary technical screening, an update of the Pesticide Incident Data System, and an assessment of the public availability of summary pesticide usage data.

Section 33(m) Termination of Effectiveness is in each instance extended 5 years.

Sec. 10016. Modification, Cancellation, or Suspension on Basis of a Biological Opinion

Except in the case of a voluntary request from a registrant under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a), a registration may be modified, canceled or suspended on the basis of the implementation of a Biological Opinion issued by the NMFS or the USFWS prior to the completion of the National Academy of Sciences study commissioned by the Administrator of the EPA or Jan. 1, 2014, whichever is earlier, only if the action is taken pursuant to section 6 of the Act and the Biological Opinion complies with the recommendations contained in the study. The study shall include at minimum: (1) a formal, independent, and external peer review, consistent with OMB policies of each Biological Opinion, (2) an assessment of economic impacts of measures or alternatives recommended in each Biological Opinion, (3) an examination of specific scientific and procedural questions and issues pertaining to economic feasibility contained in a June 23, 2011 letter sent to the Administrator and other Federal officials from Members of Congress.

Sec. 10017. Use and Discharges of Authorized Pesticides

Section 10017(a) is the short title.

Section 10017(b) amends section 3(f) of the Federal Insecticide, Fungicide, and Rodenticide Act prohibiting the Administrator or a State from requiring a permit under the Federal Water Pollution Control Act for pesticide applications authorized under the Federal Insecticide, Fungicide and Rodenticide Act, except in certain instances.

Section 10017(c) amends section 402 of the Federal Water Pollution Control Act prohibiting the Administrator or a State from requiring a permit under section 402 for the application into navigable waters of a pesticide applications authorized under the Federal Insecticide, Fungicide, and Rodenticide Act. Subsection (s)(2) provides exceptions for certain instances.

Sec. 10018. Effective Date

The effective date of this title is October 1, 2012, except for Sections 10008, 10009 and 10010.

Sec. 10019. Inclusion of Bed Bugs in Definition of Vector Organisms

The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136(oo)) is amended to include bed bugs in the definition of vector organisms. Also amends FIFRA (7 U.S.C. 136w(b)) authorizing the Administrator to require the submission of efficacy data, and to evaluate such data, if the pesticide is labeled or proposed to be labeled for the control of a pest of public health significance. The Administrator shall not permit the sale or distribution of any product that is marketed, distributed, or sold with a claim that the product will control a public health pest if the data submitted under this subsection does not support that claim. This requirement is applicable to pesticides exempted under this subsection.

Title XI—Crop Insurance

Sec. 11001. Information Sharing

Section 11001 if the producer authorizes it, this section requires the FSA to provide to an agent or an approved insurance provider (AIP) information that may assist the agent or AIP in insuring the producer.

Sec. 11002. Publication of Information on Violations of Prohibition on Premium Adjustments

Section 11002 requires the RMA to publish on its website violations of the prohibition to give rebates or discounts in premium in sufficient detail to serve as guidance to AIP, agents and producers.

Sec. 11003. Supplemental Coverage Option

Section 11003 establishes the new Supplemental Coverage Option to give a producer the option of purchasing additional coverage on an individual or area yield and loss basis or a margin basis. Coverage cannot exceed the difference between 90 percent of the actual loss and the coverage level selected by the producer of the underlying policy or plan of insurance.

Sec. 11004. Premium Amounts for Catastrophic Risk Protection

Section 11004 requires a re-rating of the catastrophic risk protection premium.

Sec. 11005. Repeal of Performance-Based Discount

Section 11005 repeals unused authority for performance-based discounts.

Sec. 11006. Permanent Enterprise Unit Subsidy

Section 11006 makes permanent the Federal Crop Insurance Corporation (the Corporation) authority to pay a portion of the premiums for policies that insure on a enterprise unit basis.

Sec. 11007. Enterprise Units for Irrigated and Non-Irrigated Crops

Section 11007 requires enterprise units to be made available by practice (irrigated or non-irrigated).

Sec. 11008. Data Collection

Section 11008 allows the use of data collected by the Risk Management Agency, the National Agricultural Statistics Service, or both, to determine yields. Where sufficient county data is not available, this section authorizes the Secretary to use data from other sources.

Sec. 11009. Adjustment in Actual Production History to Establish Insurable Yields

Section 11009 increases the percentage of the applicable transitional yield used to replace excluded recorded or appraised yields from 60 percent to 70 percent.

Sec. 11010. Submission and Review of Policies

Section 11010 requires the Corporation to review policies developed under the research and development contracting authority at

522(c), or pilot program developed under 523, and submit to the Board for review policies that will likely result in viable and marketable policies, provide crop insurance in a significantly improved form, and adequately protect the interests of producers. This section also requires and encourages approval of certain policies.

Sec. 11011. Equitable Relief for Specialty Crop Producers

Section 11011 provides equitable relief on specialty crop policies that were disproportionately adversely impacted by the SRA but clarifies that Congress does not provide statutory assent to SRA provisions.

Sec. 11012. Budget Limitations on Renegotiation of the Standard Reinsurance Agreement

Section 11012 requires the Board to ensure budget neutrality to the maximum extent practicable, and return any savings realized in Standard Reinsurance Agreement renegotiations to specific crop insurance purposes.

Sec. 11013. Crop Production on Native Sod

Section 11013 availability on crop insurance to protect native sod.

Sec. 11014. Coverage Levels by Practice

Section 11014 allows producers to elect different coverage for both dry land and irrigated land.

Sec. 11015. Beginning Farmer and Rancher Provisions

Section 11015 provides beginning farmers and ranchers with additional premium assistance, enhanced T-yields, and the ability to use previous producer's APH or an assigned yield.

Sec. 11016. Stacked Income Protection Plan for Producers of Upland Cotton

Section 11016 requires a stacked income protection plan to be made available to upland cotton producers beginning with the 2013 crop year.

Sec. 11017. Peanut Revenue Crop Insurance

Section 11017 creates a revenue crop insurance program for peanut producers, beginning in crop year 2013, using the effective price for peanuts equal to the Rotterdam price index, adjusted to reflect the farmer stock price of peanuts in the U.S.

Sec. 11018. Authority to Correct Errors

Section 11018 allows an insurance provider or agent to correct information to make it consistent with information a producer reported to FSA, provided the corrections do not allow the producer to obtain a disproportionate benefit or avoid any ineligibility requirements or legal obligations.

Sec. 11019. Implementation

Section 11019 requires the Secretary to maintain and upgrade information management systems and to implement an acreage report streamlining initiative.

Sec. 11020. Research and Development Priorities

Section 11020 make specialty crops, sweet sorghum, biomass sorghum, rice, peanuts and sugarcane a research and development priority.

Sec.11021. Additional Research and Development Contracting Requirements

Section 11021 lists additional research and development contracting priorities.

Sec. 11022. Pilot Programs

Section 11022 clarifies Corporation may conduct pilot programs at its sole discretion.

Sec. 11023. Limitation on Expenditures for Livestock Pilot Programs

Section 11023 increases the funding for livestock pilot program funding to $50 million per year.

Sec. 11024. Noninsured Crop Assistance Program

Section 11024 amends the noninsured crop assistance program (NAP) to allow for the purchase of additional NAP coverage for crops that do not otherwise have coverage under the Federal Crop Insurance Act.

Sec. 11025. Technical Amendments

Section 11025 makes technical amendments.

TITLE XII—MISCELLANEOUS

SUBTITLE A—LIVESTOCK

Sec. 12101. National Sheep Industry Improvement Center

Section 12101 amends section 375 of the Consolidated Farm and Rural Development Act by reauthorizing the appropriations for the National Sheep Industry Improvement Center though fiscal year 2017, at the current level of $10,000,000 for each fiscal year.

Sec. 12102. Trichinae Certification Program

Section 12102 amends section 10405 of the Animal Health Protection Act by reauthorizing the Trichinae Certification Program through fiscal year 2017, at the current level of $1,500,000 to remain available until expended, as well as such additional sums as may be necessary.

Sec. 12103. National Aquatic Animal Health Plan

Section 12103 amends section 11013 of the Food, Conservation, and Energy Act of 2008 by reauthorizing the National Aquatic Animal Health Plan.

Sec. 12104. Report on Compliance with World Trade Organization Decision Regarding Country of Origin Labeling

Section 12104 requires the Secretary to submit a report to Congress, within 90 days of the date of enactment, detailing the steps

the Secretary will take to make the United States compliant with the WTO decision on country of origin labeling.

Sec. 12105. Repeal of Certain Regulations Under the Packers and Stockyard Act, 1912

Subsection (a) repeals the requirement from the Food, Conservation, and Energy Act of 2008 that the Secretary promulgate regulations with respect to the Packers and Stockyards Act, 1921 that would establish criteria to consider in determining whether on undue or unreasonable preference has occurred, whether a live poultry dealer has provided reasonable notice of a suspension of delivery of birds, when a requirement of additional capital investments over the life of a poultry growing arrangement or a swine producing contract constitutes a violation of the Packers and Stockyards Act, and if a contractor has provided a reasonable period of time for a grower to remedy a breach of contract that could result in the termination of the arrangement or contract.

Subsection (b) repeals provisions from the Code of Federal Regulations regarding capital investments, suspension of delivery of birds, applicability to live poultry dealers, and written 90 days notice of intent to suspend delivery of birds.

Subsection (c) prohibits the Secretary from enforcing the provisions referred to in subsection (b). It further prohibits the Secretary from finalizing or implementing certain proposed regulations regarding the tournament system, the definitions of competitive injury and likelihood of competitive injury, unfair and unjustly discriminatory and deceptive practices or devices, and undue or unreasonable preferences or advantages/prejudice or disadvantage. Finally, subsection (c) prohibits the Secretary from either issuing regulations or adopting policies similar to the provisions referenced in subsections (b) and (c).

Sec. 12106. Meat and Poultry Processing Report

Section 12106 requires the Secretary to cooperate with States, processors and producers in developing a report on better meeting the needs of small and very small meat and poultry growers and processors and methods to create an electronic submission option for the meat label approval process. The report must be submitted to Congress not later than one year of the date of enactment of this Act.

SUBTITLE B—SOCIALLY DISADVANTAGED PRODUCERS AND LIMITED RESOURCE PRODUCERS

Sec. 12201. Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers

Section 12201(a) amends section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 to include veteran farmers and ranchers. The section makes available $10,000,000 in mandatory funding for each fiscal year 2013 through 2017. The section also adds a new authorization of appropriations of $20,000,000 for each fiscal year 2013 through 2017.

Section 12201(b) includes a definition of the term "veteran farmer or rancher".

Sec. 12202. Office of Advocacy and Outreach

Section 12202 amends paragraph (3) of section 226B(f) of the Department of Agriculture Reorganization Act of 1994 to include an authorization of appropriations of $2,000,000 for each fiscal years 2013 through 2017.

SUBTITLE C—OTHER MISCELLANEOUS PROVISIONS

Sec. 12301. Grants to Improve Supply, Stability, Safety, and Training of Agricultural Labor Force

Section 12301 amends section 14204(d) of the Food, Conservation, and Energy Act of 2008 to include an authorization of appropriations of $10,000,000 for each fiscal year 2013 through 2017.

Sec. 12302. Evaluation Required for Purposes of Prohibition on Closure or Relocation of County Offices for the Farm Service Agency

Section 12302 amends section 14212 of the Food, Conservation, and Energy Act of 2008.

Subsection (a) replaces the two year temporary prohibition on the closure or relocation of a FSA county or field office with a permanent prohibition on closure or relocation after the Secretary conducts an evaluation on the workload volume of the office compared to other county offices.

Subsection (b) adds a new requirement that the Secretary conduct an evaluation of all workload assessments for Farm Service Agency county offices that were open and operational as of January 1, 2012.

Subsection (c) amends the notice and public meeting requirement in order to conform to the amendments made in subsection (a).

Subsection (d) in a conforming amendment related to the amendment made in subsection (b).

Sec. 12303. Prohibition on Attending an Animal Fight or Causing a Minor To Attend an Animal Fight

Section 12303 amends the Animal Welfare Act by making it unlawful to knowingly attend an animal fighting venture or to knowingly cause a minor to attend an animal fighting venture. The term "minor" is defined as a person under the age of 18 years old.

Sec. 12304. Program Benefit Eligibility Status for Participants in High Plains Water Study

Section 12304 amends the Food, Conservation, and Energy Act of 2008 to continue to prevent producers and growers who are participating in a 1-time study of recharge potential for the Ogallala Aquifer in the High Plains of Texas from losing eligibility for programs under the Federal Agriculture Reform and Risk Management Act of 2012 solely as the result of participation.

Sec. 12305. Office of Tribal Relations

Subsection (a) amends Title II of the Department of Agriculture Reorganization Act of 1994 by requiring the Secretary to establish an Office of Tribal Relations, within the Office of the Secretary, to advise the Secretary on policies related to Indian Tribes.

Subsection (b) is a conforming amendment within the Act.

Sec. 12306. Military Veterans Agricultural Liaison

The Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) is amended to authorize the position of Military Veterans Agricultural Liaison (liaison) within the Department of Agriculture (Department). The liaison shall provide information to returning veterans and connect returning veterans with beginning farmer training and agricultural vocational and rehabilitation programs appropriate to the needs and interests of returning veterans. The liaison is also authorized to provide information to veterans concerning participation in agricultural programs, serve as a resource for assisting veteran farmers and ranchers and potential farmers and ranchers in applying for agricultural programs and serve as an advocate on behalf of veterans within the Department.

Sec. 12307. Acer Access and Development Program

Subsection (a) authorizes the Secretary to make grants to States, tribal governments, and research institutions to support their efforts to promote the domestic maple syrup industry.

Subsection (b) enumerates information that shall be included in a grant application.

Subsection (c) is the rule of construction so as to not preempt any State or tribal government law.

Subsection (d) provides a definition for the term "maple-sugaring".

Sec. 12308. Prohibition Against Interference by State and Local Governments with Production or Manufacture of Items in Other States

Subsection (a) forbids State or local governments from imposing a standard or condition of the production or manufacture of any agricultural product that is sold or offered for sale in interstate commerce if production or manufacture occurs in another State and the imposed standard or condition is in addition to those pursuant to Federal law and the laws of the State or locality in which the production or manufacture occurs.

Subsection (b) defines the term "agricultural product" as the term used in the Agricultural Marketing Act of 1946.

Sec. 12309. Increased Protection for Agricultural Interests in the Missouri River Basin

Directs the Secretary to take action to promote immediate increased flood protection for farmers, producers, and other agricultural interests in the Missouri River basin by working within his jurisdiction to support efforts to recalculate the amount of space within the System that is allocated to flood control storage using the 2011 flood as the model and increase the River's channel capacity between the reservoirs and below Gavins Point.

COMMITTEE CONSIDERATION

HEARINGS

In the 111th Congress, the Committee on Agriculture held 16 farm bill hearings in preparation of the 2012 Farm Bill both in Washington, D.C. and across the country in nine different states. The Committee heard that in general, the 2008 Farm Bill was

working well for most farmers and ranchers and is popular. However, Chairman Peterson cautioned that there would be no new money available to write the 2012 Farm Bill and asked farm bill stakeholders to take a look at current programs and to see if there are ways that we can better use the funding available to provide a safety net that will continue coverage for farmers and ranchers.

Under the leadership and initiative of Chairman Lucas, the Committee continued the farm bill process with 11 audit hearings on agriculture programs to look for ways to improve programs for farmers, increase efficiency, and reduce spending. These hearings were followed-up with 7 subcommittee hearings to hear from national agricultural stakeholders advocating for policy priorities and 4 field hearings across the country to hear firsthand how U.S. farm policy is working for farmers and ranchers in advance of writing the legislation.

FULL COMMITTEE CONSIDERATION

On July 11, 2012, the Committee on Agriculture met pursuant to notice, with a quorum present to consider H.R. 6083. Chairman Lucas made an opening statement as did Ranking Member Peterson.

Chairman Lucas placed H.R. 6083 before the Committee and, without objection it was considered as original text for purposes of amendment and open to amendment at any point.

Chairman Lucas stated that although the bill is open to amendment at any point, he encouraged that amendments be offered on a Title by Title basis. Without objection, Title I—Commodities was placed before the Committee for consideration and Counsel was recognized for a brief explanation.

Mr. Goodlatte was recognized to offer and explain an amendment to remove the "Dairy Producer Margin Protection and Dairy Market Stabilization Programs" and replace it with a new "Dairy Producer Margin Insurance Program". Discussion occurred and by a roll call vote of 17 yeas to 29 nays, the amendment failed. See Roll Call #1.

Mr. Baca offered an amendment that would add a Sense of Congress language regarding child labor in agriculture. Discussion occurred and the amendment was withdrawn.

Mr. Cardoza was also recognized to offer and explain an amendment that provides dairy producers with the option of selecting an alternative method of calculating average feed cost within the margin insurance program. Discussion occurred and by a voice vote the amendment failed.

Mr. Fortenberry was recognized to offer and explain an amendment that would place a limit on an individual of $50,000 and $100,000 for a married couple payments under the Title I revenue and countercyclical commodity programs. Discussion occurred and the amendment was withdrawn.

Mr. McIntyre was then recognized to offer and explain an amendment to allow USDA to share crop information with 501(c)(5) nonprofit agricultural commodity marketing and promotion organizations for the purpose of implementing state based programs authorized by producer referendum. Discussion occurred and the amendment was withdrawn.

Mr. Goodlatte was then recognized to offer and explain an amendment to reform sugar. Discussion occurred and by a roll call vote of 10 yeas to 36 nays the amendment failed. See Roll Call # 2.

Mr. Boswell was recognized to offer and explain an amendment that would require all participants in the commodity title to be required to show a revenue loss to be eligible for a PLC or RLC payment. Discussion occurred and by a voice vote the amendment failed.

Mr. Gibbs was also recognized to offer and explain an amendment to change the language for those that opt for the RLC program. The proposed language would require that the "majority of owners" to agree on the option for which the farmland is entered into. Therefore, eliminating the possible to "veto power" that one landowner might yield over multiple other owners. Discussion occurred and the amendment was withdrawn.

Mr. Walz was then recognized to offer and explain an amendment that would allow dairy farmers to stay enrolled in the Milk Income Loss Contract (MILC) program during transition process to the new Dairy Producer Margin Program. Discussion occurred and the amendment was withdrawn.

Mr. Crawford was recognized to offer and explain an amendment that would require a workload assessment to be implemented and provided to the public before any FSA county office closures take place. Discussion occurred and by a voice vote the amendment was adopted.

Title II—Conservation was placed before the Committee for consideration.

Mr. Costa was recognized to offer and explain an amendment that would reauthorize the Environmental Quality Incentive Program (EQIP) Conservation Innovation Grants and Payments for air quality concerns from agriculture operations at level funding of $37.5 million for fiscal year 2013 through 2017. Discussion occurred and by a roll call vote of 18 yeas to 26 nays, the amendment failed. See Roll Call #3.

Title III—Trade was placed before the Committee for consideration.

Mr. Rooney was then recognized to offer and explain an amendment that allows USDA to establish the position of Under Secretary for Foreign Agricultural Services, which would be appointed by the President with the advice and consent of the Senate. Discussion occurred and by a voice vote the amendment was adopted.

Title IV—Nutrition was placed before the Committee for consideration.

Mrs. Schmidt was recognized to offer and explain an amendment that instructs the Secretary to exclude Medical Marijuana from being a deduction as a medical expense. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Johnson was then recognized to offer and explain an amendment that increases the focus within the Community Food Project (CFP) on participation of SNAP recipients at Farmers Markets. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Pingree was also recognized to offer and explain an amendment that would allow the use of SNAP benefits for the purchase

of community-supported agriculture share (CSA). Discussion occurred and by a voice vote the amendment was adopted.

Mrs. Roby was recognized to offer and explain an amendment that would require a state agency to verify income and eligibility or an immigration status verification system (such as Systematic Alien Verification for Entitlements Program) for carrying out the Supplemental Nutrition Assistance Program. Discussion occurred and by a voice vote the amendment was adopted.

Mr. McGovern was recognized to offer and explain an amendment that would restore the $16.5 billion cut to the Supplemental Nutrition Assistance Program (SNAP) that is currently in the bill. Discussion occurred and by roll call vote of 15 yeas to 31 nays, the amendment failed. See Roll Call #4.

Mr. Goodlatte was recognized to offer and explain an amendment that would require the Secretary to consider the impact of a new regulation on the cost of emergency feeding organizations. Discussion occurred and the amendment was withdrawn.

Mr. Goodlatte was again recognized to offer and explain an amendment that would maximize the continuity of food product flow to Emergency Feeding Organizations throughout the year from mandatory food deliveries from the TEFAP programs to States. Discussion occurred and the amendment was withdrawn.

Mr. Schrader was recognized to offer and explain an amendment that would delete Title IV of the underlying bill and replace it with Title IV of the Senate bill, S. 3240, the Agriculture Reform, Food, and Jobs Act of 2012. Discussion occurred and by a roll call vote of 15 yeas to 28 nays, the amendment failed. See Roll Call #5.

Ms. Fudge was recognized to offer and explain an amendment that would ensure the Nation's underserved urban and rural communities have access to healthy food. Discussion occurred and the amendment was withdrawn.

Mr. Conaway was recognized to offer and explain an amendment that strikes the language prohibiting approval of retail food stores with significant sales of excluded items. Discussion occurred and the amendment was withdrawn.

Mr. Costa was recognized to offer and explain an amendment that would provide to states with the flexibility to enroll into innovative employment and training programs for SNAP recipients who are also receiving funds through the Temporary Assistance for Needy Families (TANF) programs. Discussion occurred and the amendment was withdrawn.

Mr. King was recognized to offer and explain an amendment that would require all SNAP benefits in Puerto Rico to be delivered by EBT cards. Discussion occurred and by a roll call vote of 27 yeas to 19 nays, the amendment was adopted. See Roll Call #6.

Ms. Pingree was recognized to offer and explain an amendment that would give more control to the States and local communities by authorizing schools with low annual commodity entitlement values (small rural school) to start making their own food purchases, provided USDA determines this would yield reduced administrative costs. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Huelskamp was recognized to offer and explain an amendment that restores to the bill all of the SNAP reforms passed by the Committee to fulfill its obligation under FY2013 budget rec-

onciliation. Discussion occurred and by roll call vote of 13 yeas to 33 nays, the amendment failed. See Roll Call #7.

Mr. Cardoza was recognized to offer and explain an amendment that would strike Section 4203, restoring the Congressional intent for the Fresh Fruit and Vegetable Program by restoring the word "Fresh" into the title of the program. Mr. Ribble raised a point of order against the amendment. Discussion occurred and the amendment was withdrawn.

Mrs. Roby was then recognized to offer and explain an amendment that would require households that receive SNAP benefits to provide proof of payment for their heating and cooling bill in order to qualify for the income deduction. Discussion occurred and by a roll call vote of 17 yeas to 27 nays, the amendment failed. See Roll Call #8.

Mr. Sablan was recognized to offer and explain an amendment that would require the Secretary of Agriculture to report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry on the costs of providing school lunches and other meals and supplements in the U.S. territories with a comparison of these costs to the national reimbursement rates provided under the Russell School Lunch Act and the Child Nutrition Act. Discussion occurred and the amendment was withdrawn.

Mr. Goodlatte was recognized to offer and explain an amendment that would strike funds for advertising for SNAP and would transfer the saving for commodity purchases for food banks under TEFAP. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Neugebauer was recognized to offer and explain an amendment that would require $50 LIHEAP assistance per year to qualify for additional benefits under SNAP. Discussion occurred and by a voice vote the amendment failed.

Mr. Conaway was recognized to offer and explain an amendment that would establish requirements consistent with other means-tested programs, for the electronic content and format of data used in the administration of the Supplemental Nutrition Assistance Program. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Huelskamp was recognized to offer and explain an amendment that would set the effective date for the Supplemental Utility Allowance reform for January 1, 2013, and eliminate the option for states to delay implementation by 180 days. Discussion occurred and by a voice vote the amendment failed.

Mr. Neugebauer was then recognized to offer and explain an amendment that would require states to submit a report once a year to ensure they are checking to make certain SNAP recipients are not deceased and are not dual-enrolled. Discussion occurred and by a voice vote the amendment was adopted.

Title V—Credit was placed before the Committee for consideration.

Ms. Fudge was recognized to offer and explain an amendment that would improve federal agricultural credit programs to better meet the needs of small, young, beginning, veteran and urban farmers and ranchers. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Fudge was again recognized to offer and explain an amendment that would lift the residential restriction and funding for Youth Operating Loans. Discussion occurred and by voice vote the amendment was adopted.

Mr. Boswell was recognized to offer and explain an amendment that would repeal the term limits for FSA Guaranteed Loans which are currently capped at 15 years. Discussion occurred and by a voice vote the amendment failed.

Mr. Fortenberry was recognized to offer and explain an amendment that would maintain eligibility for rural communities to compete for rural development funding. Discussion occurred and by a voice vote the amendment was withdrawn.

Title VI—Rural Development was placed before the Committee for consideration.

Mr. McIntyre was recognized to offer and explain an amendment that would direct $50 million dollars in mandatory spending to address the water and wastewater backlog at USDA. Discussion occurred and by a voice vote the amendment failed.

Mr. Johnson was then recognized to offer and explain an amendment that would clarify the text of the bill that emphasizes the economic development aspect of broadband projects by connecting businesses to broadband networks. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Sewell was also recognized to offer and explain an amendment that would allow USDA to give priority to applications that are otherwise eligible and support strategic community and economic development plans on a multi-jurisdictional basis. Discussion occurred and by a roll call vote of 18 yeas to 26 nays, the amendment failed. See Roll Call #9.

Mr. Gibson was recognized to offer and explain an amendment to increase the RUS Broadband Program authorization level from $25 million to $35 million. Discussion occurred and by a roll call vote of 20 yeas to 24 nays, the amendment failed. See Roll Call #10.

Mr. Courtney was recognized to offer and explain an amendment that would clarify the definition of unincorporated areas to include municipally designed townships, villages, borough, county, or municipal subdivision. Discussion occurred and the amendment was withdrawn.

Mr. Austin Scott was then recognized to offer and explain an amendment that would give greater flexibility within the purpose of the USDA Business and Industry Loan Program by including the term "working capital" as an approved purpose. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Pingree was recognized to offer and explain an amendment to remove the cap on Business and Industry (B&I) loans for local and regional enterprise loan guarantees. Discussion occurred and the amendment was withdrawn.

Mr. Tipton was also recognized to offer and explain an amendment that would direct USDA to encourage to the maximum extent practicable, private or cooperative lends to finance rural water and waste disposal facilities by utilizing loan guarantees where possible. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Welch was then recognized to offer and explain an amendment to reauthorize the State Rural Development Councils. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Gibson was recognized to offer and explain an amendment that would increase the population threshold of rural areas and towns from 20,000 to 30,000 people for the Community Facility loans and grants program. Discussion occurred and by a voice vote the amendment failed.

Mr. Walz was then recognized to offer and explain an amendment that would direct the Secretary of Agriculture to participate in the activities of the Surface Transportation Board (STB) on behalf of the interest of agriculture and rural America. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Huelskamp was also recognized to offer and explain an amendment that clarifies that privately financed infrastructure projects undertaken by the Rural Utilities Service borrowers are not considered to be a major federal action. Discussion occurred and by a voice vote the amendment was adopted.

Title VII—Research, Extension, and Related Matters was placed before the Committee for consideration.

Ms. Sewell was recognized to offer and explain an amendment that adds a new section that requires any recipient of a competition grant that is for commodity-specific or State-specific applied research or extension to raise a one-to-one match of funds. Discussion occurred and the amendment was withdrawn.

Mr. Fortenberry was then recognized to offer and explain an amendment that provides training and technical assistance to beginning farmers and ranchers through competitive grants to land-grant institutions, community organizations, and other farm organizations. Discussion occurred and Mr. Fortenberry asked unanimous consent to strike the first three lines of the amendment. Without objection the amendment was revised and by a voice vote adopted.

Mr. Baca was recognized to offer and explain an amendment regarding education and training programs for agriculture farm workers. Discussion occurred and by a roll call vote of 17 yeas to 25 nays, the amendment failed. See Roll Call #11.

Mrs. Schmidt was also recognized to offer and explain an amendment that would authorize ongoing federal bed bug research funding. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Schrader was recognized to offer and explain an amendment that increases mandatory funding for the Specialty Crop Research Initiative by $10 million in each Fiscal Year beginning in FY2013. Discussion occurred and by a roll call vote of 19 yeas to 26 nays, the amendment failed. See Roll Call #12.

Title VIII—Forestry was placed before the Committee for consideration.

Mr. Thompson was recognized to offer and explain an amendment that will reinforce the U.S. Forest Service's categorical exclusion authorities for day-to-day, non-controversial activities. Discussion occurred and by a voice vote the amendment was adopted.

Mrs. Noem was then recognized to offer and explain an amendment that would increase acres for categorical exclusion from 1,000 to 10,000 acres to be used for pin beetle mitigation efforts in

USDA-designated areas as part of the National Forest Critical Area Response. Discussion occurred and by a voice vote the amendment was adopted.

Mrs. Noem was again recognized to offer and explain an amendment that would authorize $200,000,000 annually for the National forest Critical Area Response to deal with insect infestations in USDA designated areas in national forests across the west that are battling pine beetle epidemics. Discussion occurred and the amendment was withdrawn.

Mr. Schrader was recognized to offer and explain an amendment that creates a pilot program in the State of Oregon to allow for permanent timber production primarily on lands that have been previously harvested, ensuring a sustainable level of timber and forest products from federal lands to maintain and create jobs in the local timber industry. Mr. Goodlatte raised a point of order against the amendment that it contains subject matter within the Rule X jurisdiction of another committee. Chairman Lucas ruled that the amendment was not in order. Mr. Schrader appealed the ruling of the Chair. Mr. Goodlatte moved to table the motion to appeal the ruling of the Chair. By a voice vote, the motion to table the amendment was agreed to and the ruling of the Chair was sustained.

Mr. Boswell was recognized to offer and explain an amendment that provides mandatory and discretionary funding levels to energy programs and repeals provisions prohibiting REAP funding of blender pumps. Discussion occurred and the amendment was withdrawn.

Mrs. Noem was recognized to offer and explain an amendment that would replace the portion of the bill and allow for REAP funds to be use used for blender pumps. Discussion occurred and the amendment was withdrawn.

Mr. Southerland was recognized to offer and explain an amendment that would include lumber within the U.S. Department of Agriculture's Biobased Marketing Program. Discussion occurred and the amendment was withdrawn.

Mrs. Noem was recognized to offer and explain an amendment that adds another factor for the Secretary to consider when considering allocating BCAP project funds. Discussion occurred and by a voice vote the amendment was adopted.

Title X—Horticulture was placed before the Committee for consideration.

Mr. Welch was recognized to offer and explain an amendment that clarifies changes to allow the organic industry to petition USDA to establish an organic promotion order using the normal promotion order process. Discussion occurred and the amendment was withdrawn.

Mrs. Schmidt was recognized to offer and explain an amendment that clarifies bed bugs as a vector organism and establishes an efficacy requirement for 25(b) or minimum risk pesticides labeled for the control of bed bugs and other public health pests. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Sewell was recognized to offer and explain an amendment that would require USDA to conduct a study on specialty crop production by small-holders, and women, minority, and socially disadvantaged farmers. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Fortenberry was recognized to offer and explain an amendment that prioritizes underserved communities, small and mid-sized farms, and capacity building for local and regional food systems. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Stutzman was then recognized to offer and explain an amendment to ensure due process for farmers and handlers by affirming the right to judicial review of suspension orders. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Costa was then recognized to offer and explain an amendment that would strike the repeal of the National Organic Certification Cost-Share Program and provide $22 million for producers to offset the fees associated with going through organic certification. Discussion occurred and by a roll call vote of 17 yeas to 27 nays, the amendment failed. See Roll Call #13.

Mr. Ribble was recognized to offer and explain an amendment to the Specialty Block Grant program to allow for grants to be used for multistate research projects. Discussion occurred and by a voice vote the amendment was adopted.

Title XI—Crop Insurance was placed before the Committee for consideration.

Mr. McIntyre was recognized to offer and explain an amendment that would commission a study at USDA to assess the private market for business interruption insurance, determine what statutory authority would be needed for RMA to implement a business interruption policy for growers, and explore the feasibility and cost of such a policy if it were to be authorized. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Cardoza was then recognized to offer and explain an amendment that would allow private companies to offer alternative coverage to growers under the Revenue Loss Coverage (RLC) and Supplemental Coverage Option (SCO) programs if they can deliver index-bases supplemental coverage at comparable cost and meet strict accountability standards. Discussion occurred and the amendment was withdrawn.

Mr. McIntyre was recognized to offer and explain an amendment that would increase the per farm liability limit from $1 million to $1.5 million in the Whole Farm Risk Management Insurance product. Discussion occurred and by a roll call vote of 19 yeas to 25 nays, the amendment failed. See Roll Call #14.

Mr. Cardoza was also recognized to offer and explain an amendment that would direct USDA's Risk Management Agency to conduct a study into the feasibility of a crop insurance product that would cover producer's losses due to food safety recalls that they did not cause. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Welch was recognized to offer and explain an amendment that would encourage USDA's Risk Management Agency to complete the development of organic elections for crop insurance. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Walz was recognized to offer and explain an amendment that would strike language in the bill that reduces federal crop insurance subsidies on native sod that is put into production for the first four years in the National Prairie Pothole Priority Area. Chairman recognized himself to offer and explain a second degree amendment

that would not include the States of Oklahoma and Texas as part of the Walz Amendment. Discussion occurred and Mr. Walz withdrew his amendment as did Chairman Lucas.

Mr. Kissell was recognized to offer and explain an amendment to commission the USDA to study feasibility of creating an insurance program to protect poultry growers and companies in the event of a disease outbreak or other catastrophic loss event. Discussion occurred and by a voice vote the amendment was adopted.

Title XII—Miscellaneous was placed before the Committee for consideration.

Mr. McIntyre was recognized to offer and explain an amendment to extend authorization for appropriations for FY13 through FY17 for the Southeast Crescent Regional Commission, the Northern Border Regional Commission and the Southwest Border Regional Commission. Mr. Conaway raised a point of order to the amendment because it related to subject matter within Rule X jurisdiction of another committee. Chairman Lucas ruled that the amendment was not in order. Mr. McIntyre appealed the ruling of the Chair. Mr. Conaway moved to table the motion to appeal the ruling of the Chair. By voice vote, the motion to table the appeal was agreed to. Mr. McIntyre asked for a recorded vote on the motion to table the appeal to the point of order on the McIntyre amendment. The results of the recorded vote were 25 yeas to 20 nays. The motion to table the appeal was adopted and the ruling of the Chair was sustained. See Roll Call #15.

Mrs. Roby was then recognized to offer and explain an amendment to modify the Safe Drinking Water Act to allow water utilities to post their annual consumer confidence reports online, saving time as well as printing and mailing costs. Mr. Conaway raised a point of order against the amendment. Discussion occurred and the amendment was withdrawn.

Mr. Schrader was recognized to offer and explain an amendment to authorize Wildlife Services to provide Explosive Pest Control Devices or "cracker shells" to farmers who are permitted to use such devices for bird and wildlife pest hazing. Discussion occurred and the amendment was withdrawn.

Mr. King was recognized to offer and explain an amendment that would reinforce the Commerce Clause by asserting the right of a state to trade agricultural products with another state. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Boswell was recognized to offer and explain an amendment that created a Military Veterans Agricultural Liaison within the USDA to educate returning veterans about farming and connect them with beginning farmer training programs. Discussion occurred and by a voice vote the amendment was adopted.

Mr. Neugebauer was recognized to offer and explain an amendment that would require USDA to turn in a report not later than 90 days after the enactment date of the Act to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives detailing the steps the Secretary will take so that the United States is in compliance with the decision of the World Trade Organization regarding Country of Origin Labeling. Discussion occurred and by a roll call vote of 34 yeas to 12 nays, the amendment was adopted. See Roll Call #16.

Mr. Welch was recognized to offer and explain an amendment that would authorize the Secretary to make grants to states, tribal government, and research institutions to research, promote and expand access to lands for maple sugaring. Discussion occurred and by roll call vote of 25 yeas to 21 nays, the amendment was adopted. See Roll Call #17.

Mr. Hartzler was then recognized to offer and explain an amendment that repeals a provision of Food, Conservation, and Energy Act of 2008 establishing a USDA inspection and grading program for catfish and other species of farm-raised fish. Mr. Baca raised a point of order against the amendment but the point of order was later withdrawn. Discussion occurred and by a roll call vote of 20 yeas to 25 nays, the amendment failed. See Roll Call #18.

Mr. David Scott was also recognized to offer and explain an amendment that will clarify the rules governing the sugar trade between the United States and Columbia under the United States-Colombia Trade Promotion Agreement in a manner similar to that under other U.S. Free Trade Agreements with sugar-producing countries. Mr. Conaway raised a point of order against the amendment. Discussion occurred and the amendment was withdrawn.

Mrs. Noem was recognized to offer and explain an amendment that would permanently establish an Office of Tribal Relations with the Office of the Secretary of Agriculture to ensure Tribal consultation and Tribal access to USDA programs. Discussion occurred and by a voice vote the amendment was adopted.

Mr. McGovern was recognized to offer and explain an amendment that would close a loophole related to spectators at animal fighting ventures. Discussion occurred and by roll call vote of 26 yeas to 19 nays, the amendment was adopted. See Roll Call #19.

Mr. Neugebauer was recognized to offer and explain an amendment that would continue a provision from the 2008 Farm Bill that would prevent producers and growers from losing eligibility for any program under the Federal Agricultural Reform and Risk Management Act of 2012 solely as a result of participating in a 1-time study of recharge potential for the Ogallala Aquifer in the High Plains of the State of Texas. Discussion occurred and by a voice vote the amendment was adopted.

Ms. Pingree was recognized to offer and explain an amendment that provides for the Secretary to cooperate with States, processors and growers in submitting a report to Congress within 12 months of enactment of the bill. Discussion occurred and by a voice vote the amendment was adopted.

Mr. King was recognized to offer and explain an amendment that directs the Secretary of Agriculture to take action, within his jurisdiction to promote immediate increased flood protection for farmers, producers, and other agricultural interests in the Missouri River Basin. Mr. Boswell was recognized to offer an amendment in the second degree that would add agribusinesses in Hamburg, Iowa. Mr. Conaway raised a point of order, discussion occurred and the point of order was vacated. By a voice vote the King amendment was adopted, as amended by the Boswell amendment.

Mr. Conaway was then recognized to offer and explain an amendment that prevents the Grain Inspection, Packers and Stockyards Administration from doing any further work on the GIPSA rulemaking that resulted from the 2008 Farm Bill by repealing sec-

tion 11006 of the Food, Conservation, and Energy Act of 2008. Discussion occurred and by a voice vote the amendment was adopted.

Mrs. Hartzler was recognized to offer and explain an amendment that authorizes the Secretary of Agriculture acting through Agricultural Research Service to provide greater outreach and educational opportunities to the "Socially Disadvantaged Farmers and Ranchers, and Veteran Farmers and Ranchers" program by engaging in cooperative agreements with universities and non-profit organizations. Discussion occurred and by a voice vote the amendment failed.

Mr. Huelskamp was recognized to offer and explain an amendment that prohibits the EPA from regulating coarse particulate matter from activities common in rural areas or from natural sources. Discussion occurred and the amendment was withdrawn.

Mr. Huelskamp was again recognized to offer and explain an amendment that defines "water of the United States" and "navigable waters" for the purposes of regulation by the EPA. Discussion occurred and the amendment was withdrawn.

There being no further amendments, Mr. Peterson moved that H.R. 6083, as amended, be adopted and reported favorably to the House with the recommendation that it pass. By a roll call vote of 35 yeas to 11 nays, motion was agreed to in the presence of a quorum. See Roll Call #20.

Mr. Peterson moved that the Chairman, after consultation with the Ranking Member, be authorized to make such adjustments to the spending levels in the reported version of the bill as are necessary. Without objection, the motion was agreed to.

Chairman Lucas informed Committee Members who wished to file supplemental, minority, or additional views to the bill to transmit them to the Counsel's Office.

Without objection, staff was given permission to make any necessary clerical, technical or conforming changes to reflect the intent of the Committee.

Chairman Lucas thanked all the members for their attentiveness and good work and adjourned the meeting.

REPORTING THE BILL—ROLL CALL VOTES

In compliance with clause 3(b) of rule XIII of the House of Representatives, the Committee sets forth the record of the following roll call votes taken with respect to H.R. 6083.

ROLL CALL #1

Summary: Amendment to Title I of H.R. 6083 that would remove "Dairy Producer Margin Protection and Dairy Market Stabilization Programs" and replace it with a new "Dairy Producer Margin Insurance Program".

Offered By: Representative Bob Goodlatte

Results: Amendment failed by a vote of 17 yeas, 29 nays.

YEAS

1. Mr. Goodlatte
2. Mr. King
3. Mr. Neugebauer
4. Mr. Fortenberry
10. Mr. Southerland
11. Mr. Huelskamp
12. Mr. DesJarlais
13. Mrs. Ellmers

5. Mrs. Schmidt
6. Mr. Thompson
7. Mr. Rooney
8. Mr. Gibbs
9. Mr. Tipton
14. Mr. Hultgren
15. Mr. Ribble
16. Mr. David Scott
17. Ms. Fudge

NAYS

1. Mr. Lucas
2. Mr. Johnson
3. Mr. Conaway
4. Mr. Stutzman
5. Mr. Austin Scott
6. Mr. Crawford
7. Mrs. Roby
8. Mr. Gibson
9. Mrs. Hartzler
10. Mr. Schilling
11. Mrs. Noem
12. Mr. Peterson
13. Mr. Holden
14. Mr. McIntyre
15. Mr. Boswell
16. Mr. Baca
17. Mr. Cardoza
18. Mr. Cuellar
19. Mr. Costa
20. Mr. Walz
21. Mr. Schrader
22. Mr. Kissell
23. Mr. Owens
24. Ms. Pingree
25. Mr. Courtney
26. Mr. Welch
27. Mr. Sablan
28. Ms. Sewell
29. Mr. McGovern

ROLL CALL #2

Summary: Amendment to Title I of H.R. 6083 that would repeal the Feedstock Flexibility Program, repeal unnecessary trade restrictions, eliminate higher price support levels, reform domestic supply restrictions to provide more flexibility to USDA, and provide flexibility to USDA in administering sugar policies.

Offered By: Representative Bob Goodlatte

Results: Amendment failed by a vote of 10 yeas, 36 nays.

YEAS

1. Mr. Goodlatte
2. Mr. Johnson
3. Mr. Neugebauer
4. Mr. Thompson
5. Mr. Stutzman
6. Mr. Huelskamp
7. Mr. DesJarlais
8. Mr. Ribble
9. Mr. David Scott
10. Ms. Fudge

NAYS

1. Mr. Lucas
2. Mr. King
3. Mr. Conaway
4. Mr. Fortenberry
5. Mrs. Schmidt
6. Mr. Rooney
7. Mr. Gibbs
8. Mr. Austin Scott
9. Mr. Tipton
10. Mr. Southerland
11. Mr. Crawford
12. Mrs. Roby
13. Mrs. Ellmers
14. Mr. Gibson
19. Mr. Peterson
20. Mr. Holden
21. Mr. McIntyre
22. Mr. Boswell
23. Mr. Baca
24. Mr. Cardoza
25. Mr. Cuellar
26. Mr. Costa
27. Mr. Walz
28. Mr. Schrader
29. Mr. Kissell
30. Mr. Owens
31. Ms. Pingree
32. Mr. Courtney

15. Mr. Hultgren
16. Mrs. Hartzler
17. Mr. Schilling
18. Mrs. Noem
33. Mr. Welch
34. Mr. Sablan
35. Ms. Sewell
36. Mr. McGovern

ROLL CALL #3

Summary: Amendment to Title II of H.R. 6083 that would extend authorization of EQIP for air quality concerns.

Offered By: Representative Jim Costa

Results: Amendment failed by a vote of 18 yeas, 26 nays, and 2 not voting.

YEAS

1. Mr. Tipton
2. Mr. Gibson
3. Mr. Boswell
4. Mr. Baca
5. Mr. Cardoza
6. Mr. David Scott
7. Mr. Cuellar
8. Mr. Costa
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Welch
16. Mr. Sablan
17. Ms. Sewell
18. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Southerland
15. Mr. Crawford
16. Mrs. Roby
17. Mr. Huelskamp
18. Mr. DesJarlais
19. Mr. Hultgren
20. Mrs. Hartzler
21. Mr. Schilling
22. Mr. Ribble
23. Mrs. Noem
24. Mr. Peterson
25. Mr. Holden
26. Mr. McIntyre

NOT VOTING

1. Mrs. Ellmers
2. Ms. Fudge

ROLL CALL #4

Summary: Amendment to Title IV of H.R. 6083 that would strike sections 4004, 4005, and 4011.

Offered By: Representative Jim McGovern

Results: Amendment failed by a vote of 15 yeas, 31 nays.

YEAS

1. Mr. Boswell
2. Mr. Baca
3. Mr. Cardoza
4. Mr. David Scott
5. Mr. Cuellar
9. Ms. Pingree
10. Mr. Courtney
11. Mr. Welch
12. Ms. Fudge
13. Mr. Sablan

6. Mr. Costa
7. Mr. Walz
8. Mr. Kissell
14. Ms. Sewell
15. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Gibson
22. Mr. Hultgren
23. Mrs. Hartzler
24. Mr. Schilling
25. Mr. Ribble
26. Mrs. Noem
27. Mr. Peterson
28. Mr. Holden
29. Mr. McIntyre
30. Mr. Schrader
31. Mr. Owens

ROLL CALL #5

Summary: Amendment to Title IV of H.R. 6083 that would strike Title IV and insert it with Title IV from S. 3240.

Offered By: Representative Kurt Schrader

Results: Amendment failed by a vote of 15 yeas, 28 nays, and 3 not voting.

YEAS

1. Mr. Gibson
2. Mr. McIntyre
3. Mr. Boswell
4. Mr. Baca
5. Mr. Cardoza
6. Mr. David Scott
7. Mr. Cuellar
8. Mr. Costa
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Welch

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. King
4. Mr. Neugebauer
5. Mr. Conaway
6. Mr. Fortenberry
7. Mrs. Schmidt
8. Mr. Thompson
9. Mr. Rooney
10. Mr. Stutzman
11. Mr. Gibbs
12. Mr. Austin Scott
13. Mr. Tipton
14. Mr. Southerland
15. Mr. Crawford
16. Mrs. Roby
17. Mr. Huelskamp
18. Mr. DesJarlais
19. Mrs. Ellmers
20. Mr. Hultgren
21. Mrs. Hartzler
22. Mr. Schilling
23. Mr. Ribble
24. Mrs. Noem
25. Mr. Peterson
26. Mr. Holden
27. Mr. Sablan
28. Mr. McGovern

NOT VOTING

1. Mr. Johnson
2. Ms. Fudge
3. Ms. Sewell

ROLL CALL #6

Summary: Amendment to Title IV of H.R. 6083 that would require all SNAP benefits in Puerto Rico be delivered by EBT cards.
Offered By: Representative Steve King
Results: Amendment adopted by a vote of 27 yeas, 19 nays.

YEAS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Hultgren
22. Mrs. Hartzler
23. Mr. Schilling
24. Mr. Ribble
25. Mrs. Noem
26. Mr. McIntyre
27. Mr. Cuellar

NAYS

1. Mr. Gibson
2. Mr. Peterson
3. Mr. Holden
4. Mr. Boswell
5. Mr. Baca
6. Mr. Cardoza
7. Mr. David Scott
8. Mr. Costa
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Welch
16. Ms. Fudge
17. Mr. Sablan
18. Ms. Sewell
19. Mr. McGovern

ROLL CALL #7

Summary: Amendment to Title IV of H.R. 6083 that would restore all SNAP reforms passed by the Committee to fulfill their obligation under FY 2013 budget reconciliation.
Offered By: Representative Tim Huelskamp
Results: Amendment failed by a vote of 13 yeas, 33 nays.

YEAS

1. Mr. Goodlatte
2. Mr. King
3. Mr. Neugebauer
4. Mr. Stutzman
5. Mr. Gibbs
6. Mr. Austin Scott
7. Mr. Southerland
8. Mrs. Roby
9. Mr. Huelskamp
10. Mr. DesJarlais
11. Mrs. Ellmers
12. Mrs. Hartzler
13. Mr. Ribble

NAYS

1. Mr. Lucas
2. Mr. Johnson
3. Mr. Conaway
4. Mr. Fortenberry
5. Mrs. Schmidt
6. Mr. Thompson
7. Mr. Rooney
8. Mr. Tipton
9. Mr. Crawford
10. Mr. Gibson
11. Mr. Hultgren
12. Mr. Schilling
13. Mrs. Noem
14. Mr. Peterson
15. Mr. Holden
16. Mr. McIntyre
17. Mr. Boswell
18. Mr. Baca
19. Mr. Cardoza
20. Mr. David Scott
21. Mr. Cuellar
22. Mr. Costa
23. Mr. Walz
24. Mr. Schrader
25. Mr. Kissell
26. Mr. Owens
27. Ms. Pingree
28. Mr. Courtney
29. Mr. Welch
30. Ms. Fudge
31. Mr. Sablan
32. Ms. Sewell
33. Mr. McGovern

ROLL CALL #8

Summary: Amendment to Title IV of H.R. 6083 that would require proof of payment for income deductions for households that receive SNAP benefits.

Offered By: Representative Martha Roby

Results: Amendment failed by a vote of 17 yeas, 27 nays, and 2 not voting.

YEAS

1. Mr. Goodlatte
2. Mr. Johnson
3. Mr. King
4. Mr. Neugebauer
5. Mr. Rooney
6. Mr. Stutzman
7. Mr. Gibbs
8. Mr. Austin Scott
9. Mr. Southerland
10. Mrs. Roby
11. Mr. Huelskamp
12. Mr. DesJarlais
13. Mrs. Ellmers
14. Mrs. Hartzler
15. Mr. Schilling
16. Mr. Ribble
17. Mrs. Noem

NAYS

1. Mr. Lucas
2. Mr. Conaway
3. Mr. Fortenberry
4. Mrs. Schmidt
5. Mr. Tipton
6. Mr. Crawford
7. Mr. Gibson
8. Mr. Hultgren
9. Mr. Peterson
10. Mr. McIntyre
11. Mr. Boswell
12. Mr. Baca
13. Mr. Cardoza
14. Mr. David Scott
15. Mr. Cuellar
16. Mr. Costa
17. Mr. Walz
18. Mr. Schrader
19. Mr. Kissell
20. Mr. Owens
21. Ms. Pingree
22. Mr. Courtney
23. Mr. Welch
24. Ms. Fudge
25. Mr. Sablan
26. Ms. Sewell
27. Mr. McGovern

NOT VOTING

1. Mr. Thompson
2. Mr. Holden

ROLL CALL #9

Summary: Amendment to Title VI of H.R. 6083 that would create a universal priority across all rural development programs for applications which support strategic community and economic development plans on a multijurisdictional basis.

Offered By: Representative Terri Sewell

Results: Amendment failed by a vote of 18 yeas, 26 nays, and 2 not voting.

YEAS

1. Mr. Austin Scott
2. Mr. Gibson
3. Mr. Schilling
4. Mr. McIntyre
5. Mr. Boswell
6. Mr. Baca
7. Mr. David Scott
8. Mr. Costa
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Welch
16. Mr. Sablan
17. Ms. Sewell
18. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Tipton
14. Mr. Southerland
15. Mr. Crawford
16. Mrs. Roby
17. Mr. Huelskamp
18. Mr. DesJarlais
19. Mrs. Ellmers
20. Mr. Hultgren
21. Mrs. Hartzler
22. Mr. Ribble
23. Mrs. Noem
24. Mr. Peterson
25. Mr. Holden
26. Mr. Cuellar

NOT VOTING

1. Mr. Cardoza
2. Ms. Fudge

ROLL CALL #10

Summary: Amendment to Title VI of H.R. 6083 that would increase the RUS Broadband Program authorization level from $25 million to $35 million and directs Appropriators to make not less than $25 million available for loans and not more than $10 million available for grants. Grants must be made in combination with a loan where the grant does not exceed 10 percent of the cost of the project, and the eligible entity provides matching funds from non-Federal sources.

Offered By: Representative Chris Gibson

Results: Amendment failed by a vote of 20 yeas, 24 nays, and 2 not voting.

YEAS

1. Mr. Austin Scott
2. Mr. Tipton
3. Mr. Gibson
4. Mrs. Noem
5. Mr. Peterson
6. Mr. Holden
7. Mr. McIntyre
8. Mr. Boswell
9. Mr. Baca
10. Mr. Cuellar
11. Mr. Costa
12. Mr. Walz
13. Mr. Schrader
14. Mr. Kissell
15. Mr. Owens
16. Ms. Pingree
17. Mr. Courtney
18. Ms. Fudge
19. Mr. Sablan
20. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Southerland
14. Mr. Crawford
15. Mrs. Roby
16. Mr. Huelskamp
17. Mr. DesJarlais
18. Mrs. Ellmers
19. Mr. Hultgren
20. Mrs. Hartzler
21. Mr. Schilling
22. Mr. Ribble
23. Mr. David Scott
24. Mr. Welch

NOT VOTING

1. Mr. Cardoza
2. Ms. Sewell

ROLL CALL #11

Summary: Amendment to Title VII of H.R. 6083 regarding education and training programs for agriculture farm workers.

Offered By: Representative Joe Baca

Results: Amendment failed by a vote of 17 yeas, 25 nays, and 4 not voting.

YEAS

1. Mr. Gibson
2. Mr. Peterson
3. Mr. Holden
4. Mr. Boswell
5. Mr. Baca
6. Mr. Cardoza
7. Mr. David Scott
8. Mr. Cuellar
9. Mr. Costa
10. Mr. Walz
11. Mr. Schrader
12. Mr. Kissell
13. Mr. Owens
14. Mr. Welch
15. Ms. Fudge
16. Mr. Sablan
17. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp

6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Hultgren
22. Mrs. Hartzler
23. Mr. Schilling
24. Mr. Ribble
25. Mrs. Noem

NOT VOTING

1. Mr. McIntyre
2. Ms. Pingree
3. Mr. Courtney
4. Ms. Sewell

ROLL CALL #12

Summary: Amendment to Title VII of H.R. 6083 to increase mandatory funding for the Specialty Crop Research initiative.

Offered By: Representative Kurt Schrader

Results: Amendment failed by a vote of 19 yeas, 26 nays, and 1 not voting.

YEAS

1. Mr. Rooney
2. Mr. Gibson
3. Mr. McIntyre
4. Mr. Boswell
5. Mr. Baca
6. Mr. Cardoza
7. Mr. David Scott
8. Mr. Cuellar
9. Mr. Costa
10. Mr. Walz
11. Mr. Schrader
12. Mr. Kissell
13. Mr. Owens
14. Ms. Pingree
15. Mr. Courtney
16. Mr. Welch
17. Ms. Fudge
18. Mr. Sablan
19. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Stutzman
11. Mr. Gibbs
12. Mr. Austin Scott
13. Mr. Tipton
14. Mr. Southerland
15. Mr. Crawford
16. Mrs. Roby
17. Mr. Huelskamp
18. Mr. DesJarlais
19. Mrs. Ellmers
20. Mr. Hultgren
21. Mrs. Hartzler
22. Mr. Schilling
23. Mr. Ribble
24. Mrs. Noem
25. Mr. Peterson
26. Mr. Holden

NOT VOTING

1. Ms. Sewell

ROLL CALL #13

Summary: Amendment to Title X of H.R. 6083 to restore the National Organic Certification Cost-Share Program.

Offered By: Representative Jim Costa.

Results: Amendment failed by a vote of 17 yeas, 27 nays, and 2 not voting.

YEAS

1. Mr. Gibson
2. Mr. Ribble
3. Mr. Boswell
4. Mr. Baca
5. Mr. Cardoza
6. Mr. David Scott
7. Mr. Cuellar
8. Mr. Costa
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Sablan
16. Ms. Sewell
17. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Hultgren
22. Mrs. Hartzler
23. Mr. Schilling
24. Mrs. Noem
25. Mr. Peterson
26. Mr. Holden
27. Mr. McIntyre

NOT VOTING

1. Mr. Welch
2. Ms. Fudge

ROLL CALL #14

Summary: Amendment to Title XI of H.R. 6083 to increase the per farm limit from $1 million to $1.5 million in the Whole Farm Risk Management Insurance product.

Offered By: Representative Mike McIntyre.

Results: Amendment failed by a vote of 19 yeas, 25 nays, and 2 not voting.

YEAS

1. Mr. Gibson
2. Mr. Peterson
3. Mr. Holden
4. Mr. McIntyre
5. Mr. Boswell
6. Mr. Baca
7. Mr. David Scott
8. Mr. Cuellar
9. Mr. Walz
10. Mr. Schrader
11. Mr. Kissell
12. Mr. Owens
13. Ms. Pingree
14. Mr. Courtney
15. Mr. Welch
16. Ms. Fudge
17. Mr. Sablan
18. Ms. Sewell
19. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. King
4. Mr. Neugebauer
5. Mr. Conaway
6. Mr. Fortenberry
7. Mrs. Schmidt
8. Mr. Thompson
9. Mr. Rooney
10. Mr. Stutzman
11. Mr. Gibbs
12. Mr. Austin Scott
13. Mr. Tipton
14. Mr. Southerland
15. Mr. Crawford
16. Mrs. Roby
17. Mr. Huelskamp
18. Mr. DesJarlais
19. Mrs. Ellmers
20. Mr. Hultgren
21. Mrs. Hartzler
22. Mr. Schilling
23. Mr. Ribble
24. Mrs. Noem
25. Mr. Cardoza

NOT VOTING

1. Mr. Johnson
2. Mr. Costa

ROLL CALL #15

Summary: Conaway motion to table the appeal to the point of order on the McIntyre amendment.

Results: Motion passed by a vote of 25 yeas, 20 nays, and 1 not voting.

YEAS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Gibson
22. Mr. Hultgren
23. Mrs. Hartzler
24. Mr. Schilling
25. Mrs. Noem

NAYS

1. Mr. Peterson
2. Mr. Holden
3. Mr. McIntyre
4. Mr. Boswell
5. Mr. Baca
6. Mr. Cardoza
7. Mr. David Scott
8. Mr. Cuellar
9. Mr. Costa
10. Mr. Walz
11. Mr. Schrader
12. Mr. Kissell
13. Mr. Owens
14. Ms. Pingree
15. Mr. Courtney
16. Mr. Welch
17. Ms. Fudge
18. Mr. Sablan
19. Ms. Sewell.
20. Mr. McGovern

NOT VOTING

1. Mr. Ribble

ROLL CALL #16

Summary: Amendment to Title XII of H.R. 6083 requiring a report from USDA outlining the necessary steps to be taken by the U.S. in order to be in compliance with the WTO COOL decision.

Offered By: Representative Randy Neugebauer.

Results: Amendment passed with 34 yeas and 12 nays.

YEAS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. King
5. Mr. Neugebauer
6. Mr. Conaway
7. Mr. Fortenberry
8. Mrs. Schmidt
9. Mr. Thompson
10. Mr. Rooney
11. Mr. Stutzman
12. Mr. Gibbs
13. Mr. Austin Scott
14. Mr. Tipton
15. Mr. Southerland
16. Mr. Crawford
17. Mrs. Roby
18. Mr. Huelskamp
19. Mr. DesJarlais
20. Mrs. Ellmers
21. Mr. Gibson
22. Mr. Hultgren
23. Mrs. Hartzler
24. Mr. Schilling
25. Mr. Ribble
26. Mrs. Noem
27. Mr. McIntyre
28. Mr. David Scott
29. Mr. Cuellar
30. Mr. Kissell
31. Mr. Owens
32. Mr. Courtney
33. Mr. Sablan
34. Ms. Sewell

NAYS

1. Mr. Peterson
2. Mr. Holden
3. Mr. Boswell
4. Mr. Baca
5. Mr. Cardoza
6. Mr. Costa
7. Mr. Walz
8. Mr. Schrader
9. Ms. Pingree
10. Mr. Welch
11. Ms. Fudge
12. Mr. McGovern

ROLL CALL #17

Summary: Amendment to Title XII of H.R. 6083 authorizing the Secretary of Agriculture to make grants to states, tribal governments and research institutions to research, promote, and expand access to lands for maple sugaring.

Offered By: Representative Peter Welch.

Results: Amendment passed by a vote of 25 yeas and 21 nays.

YEAS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. Fortenberry
5. Mr. Rooney
6. Mr. Gibson
7. Mr. Peterson
8. Mr. Holden
9. Mr. Boswell
10. Mr. Baca
14. Mr. Costa
15. Mr. Walz
16. Mr. Schrader
17. Mr. Kissell
18. Mr. Owens
19. Ms. Pingree
20. Mr. Courtney
21. Mr. Welch
22. Ms. Fudge
23. Mr. Sablan

11. Mr. Cardoza
12. Mr. David Scott
13. Mr. Cuellar
24. Ms. Sewell
25. Mr. McGovern

NAYS

1. Mr. King
2. Mr. Neugebauer
3. Mr. Conaway
4. Mrs. Schmidt
5. Mr. Thompson
6. Mr. Stutzman
7. Mr. Gibbs
8. Mr. Austin Scott
9. Mr. Tipton
10. Mr. Southerland
11. Mr. Crawford
12. Mrs. Roby
13. Mr. Huelskamp
14. Mr. DesJarlais
15. Mrs. Ellmers
16. Mr. Hultgren
17. Mrs. Hartzler
18. Mr. Schilling
19. Mr. Ribble
20. Mrs. Noem
21. Mr. McIntyre

ROLL CALL #18

Summary: Amendment to Title XII of H.R. 6083 to repeal a provision of the Food, Conservation, and Energy Act of 2008 establishing a USDA inspection and grading program for catfish and other species of farm-raised fish.

Offered By: Representative Vicky Hartzler.

Results: Amendment failed by a vote of 20 yeas, 25 nays, and 1 not voting.

YEAS

1. Mr. King
2. Mr. Neugebauer
3. Mr. Thompson
4. Mr. Rooney
5. Mr. Stutzman
6. Mr. Gibbs
7. Mr. Tipton
8. Mr. Southerland
9. Mr. Huelskamp
10. Mr. DesJarlais
11. Mrs. Ellmers
12. Mr. Hultgren
13. Mrs. Hartzler
14. Mr. Schilling
15. Mr. Ribble
16. Mrs. Noem
17. Mr. McIntyre
18. Mr. Schrader
19. Mr. Kissell
20. Ms. Pingree

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. Johnson
4. Mr. Conaway
5. Mr. Fortenberry
6. Mrs. Schmidt
7. Mr. Austin Scott
8. Mr. Crawford
9. Mrs. Roby
10. Mr. Gibson
11. Mr. Peterson
12. Mr. Holden
13. Mr. Boswell
14. Mr. Baca
15. Mr. Cardoza
16. Mr. David Scott
17. Mr. Cuellar
18. Mr. Costa
19. Mr. Walz
20. Mr. Owens
21. Mr. Courtney
22. Mr. Welch
23. Ms. Fudge
24. Mr. Sablan
25. Ms. Sewell

NOT VOTING

1. Mr. McGovern

ROLL CALL #19

Summary: Amendment to Tile XII of H.R. 6083 to close a loophole related to spectators at animal fighting ventures.

Offered By: Representative James McGovern.

Results: Amendment adopted by a vote of 26 yeas, 19 nays, and 1 not voting.

YEAS

1. Mr. Fortenberry
2. Mr. Thompson
3. Mr. Austin Scott
4. Mrs. Roby
5. Mrs. Ellmers
6. Mr. Gibson
7. Mr. Schilling
8. Mr. Peterson
9. Mr. Holden
10. Mr. McIntyre
11. Mr. Boswell
12. Mr. Baca
13. Mr. Cardoza
14. Mr. David Scott
15. Mr. Cuellar
16. Mr. Walz
17. Mr. Schrader
18. Mr. Kissell
19. Mr. Owens
20. Ms. Pingree
21. Mr. Courtney
22. Mr. Welch
23. Ms. Fudge
24. Mr. Sablan
25. Ms. Sewell
26. Mr. McGovern

NAYS

1. Mr. Lucas
2. Mr. Goodlatte
3. Mr. King
4. Mr. Neugebauer
5. Mr. Conaway
6. Mrs. Schmidt
7. Mr. Rooney
8. Mr. Stutzman
9. Mr. Gibbs
10. Mr. Tipton
11. Mr. Southerland
12. Mr. Crawford
13. Mr. Huelskamp
14. Mr. DesJarlais
15. Mr. Hultgren
16. Mrs. Hartzler
17. Mr. Ribble
18. Mrs. Noem
19. Mr. Costa

NOT VOTING

1. Mr. Johnson

ROLL CALL #20

Summary: Final Passage of H.R. 6083

Results: Bill passed by a vote of 35 yeas, and 11 nays

YEAS

1. Mr. Lucas
2. Mr. Johnson
3. Mr. King
4. Mr. Neugebauer
5. Mr. Conaway
6. Mr. Fortenberry
7. Mrs. Schmidt
19. Mrs. Hartzler
20. Mr. Schilling
21. Mr. Ribble
22. Mrs. Noem
23. Mr. Peterson
24. Mr. Holden
25. Mr. McIntyre

8. Mr. Thompson
9. Mr. Rooney
10. Mr. Austin Scott
11. Mr. Tipton
12. Mr. Southerland
13. Mr. Crawford
14. Mrs. Roby
15. Mr. DesJarlais
16. Mrs. Ellmers
17. Mr. Gibson
18. Mr. Hultgren
26. Mr. Boswell
27. Mr. Cardoza
28. Mr. Cuellar
29. Mr. Costa
30. Mr. Walz
31. Mr. Schrader
32. Mr. Kissell
33. Mr. Owens
34. Mr. Welch
35. Mr. Sablan

NAYS

1. Mr. Goodlatte
2. Mr. Stutzman
3. Mr. Gibbs
4. Mr. Huelskamp
5. Mr. Baca
6. Mr. David Scott
7. Ms. Pingree
8. Mr. Courtney
9. Ms. Fudge
10. Ms. Sewell
11. Mr. McGovern

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Agriculture's oversight findings and recommendations are reflected in the body of this report.

BUDGET ACT COMPLIANCE (SECTIONS 308, 402, AND 423)

The provisions of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the Committee prior to the filing of this report are as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 26, 2012.

Hon. FRANK LUCAS,
Chairman, Committee on Agriculture,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 6083, the Federal Agriculture Reform and Risk Management act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jim Langley.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 6083—Federal Agriculture Reform and Risk Management Act of 2012

Summary: H.R. 6083 would amend and extend a number of major programs administered by the U.S. Department of Agriculture (USDA), including those addressing farm income support, food and nutrition, land conservation, trade promotion, rural development, research, forestry, energy, horticulture, and crop insurance.

When combined with estimated spending under CBO's baseline projections for those programs, CBO estimates that enacting the Federal Agriculture Reform and Risk Management Act of 2012 would bring total direct spending for those USDA programs to $957.7 billion over the 2013–2022 period—$35.1 billion less than we project would be spent if those programs were continued as under current law.

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting the bill would not affect revenues.

The bill also would authorize appropriations over the 2013–2017 period for existing and new USDA programs involving research and education, nutrition, trade promotion, rural development, credit assistance, forestry, conservation initiatives, and other miscellaneous activities. CBO estimates that implementing those provisions would cost about $22.1 billion over the next five years, assuming appropriation of the necessary amounts.

The bill would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate costs of mandates on state, local, and tribal governments would fall below the annual threshold established in UMRA for intergovernmental mandates ($73 million in 2012, adjusted annually for inflation). Because the cost of some of the mandates on the private sector would depend on future regulations, CBO cannot determine whether the aggregate cost of those mandates would exceed the annual threshold established in UMRA for private-sector mandates ($146 million in 2012, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 6083 is shown in Table 1. The costs of this legislation fall within budget functions 150 (international affairs), 270 (energy), 300 (natural resources and environment), 350 (agriculture), 450 (community and regional development), and 600 (income security).

TABLE 1. SUMMARY OF ESTIMATED BUDGETARY EFFECTS OF H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By fiscal year, in millions of dollars—											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013–2017	2013–2022
CHANGES IN DIRECT SPENDING												
Estimated Budget Authority	31	−5,023	−3,410	−3,592	−3,320	−3,428	−3,694	−3,689	−3,846	−3,780	−15,315	−33,751
Estimated Outlays	−306	−5,968	−3,612	−3,491	−3,327	−3,387	−3,709	−3,698	−3,834	−3,810	−16,705	−35,143
CHANGES IN SPENDING SUBJECT TO APPROPRIATION												
Estimated Authorization Level	4,911	5,434	5,464	5,505	5,537	511	11	11	11	11	26,852	27,407
Estimated Outlays	2,203	4,011	5,042	5,339	5,476	3,244	1,430	404	146	45	22,070	27,339

Note: Components may not sum to totals because of rounding.

Basis of estimate: For this estimate, CBO assumes that H.R. 6083 will be enacted around the end of fiscal year 2012. The legislation would provide direct spending authority for most of the USDA programs authorized, amended, or created by the legislation through the 2013–2017 period. Following the baseline projection rules of section 257 of the Balanced Budget and Emergency Deficit Control Act, CBO estimates the 10-year costs of the bill by assuming that most of those programs continue to operate beyond that five-year authorization period.

The following sections describe the major budgetary effects of each title of the bill, including changes in direct spending for mandatory programs and changes in spending that are subject to future appropriation for discretionary programs.

Direct spending

CBO's estimates of the changes in direct spending that would result from enacting the legislation are presented in Table 2. All estimates are relative to CBO's March 2012 baseline projections for spending by mandatory agriculture programs. That baseline assumes that the agriculture programs authorized by the most recent farm bill (Public Law 110–246) continue to operate beyond their statutory expiration dates through 2022. (The 2008 farm bill established authorizations through 2012 for most such programs.)

TABLE 2. ESTIMATED EFFECTS ON DIRECT SPENDING FOR H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By fiscal year, in millions of dollars—											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013–2017	2013–2022
CHANGES IN OUTLAYS FROM DIRECT SPENDING												
Title I—Commodity Programs:												
Repeal Direct Payments	0	−4,958	−4,958	−4,958	−4,958	−4,958	−4,958	−4,958	−4,958	−4,958	−19,832	−44,622
Repeal Countercyclical Payments	0	0	−101	−127	−121	−123	−130	−137	−134	−135	−349	−1,008
Repeal Average Crop Revenue Elections Payments	0	0	−863	−637	−470	−479	−452	−547	−632	−533	−1,970	−4,615
Farm Risk Management Election	0	0	3,253	3,086	3,217	3,180	2,893	2,998	2,949	2,968	9,556	24,544
Dairy Program	−60	−56	−46	−29	3	28	7	32	61	22	−188	−38
Supplemental Agriculture Disaster Assistance	226	211	192	192	199	197	196	198	203	208	1,020	2,022
Other Commodity Provisions	65	38	3	3	2	2	5	5	4	4	111	131
Subtotal, Title I	231	−4,765	−2,520	2,470	−2,128	−2,153	−2,439	−2,409	−2,507	−2,424	−11,651	−23,584
Title II—Conservation:												
Conservation Reserve Program	0	41	−399	−532	−479	−476	−446	−438	−427	−424	−1,369	−3,580
Conservation Security Program	−10	−77	−145	−202	−269	−345	−411	−479	−545	−612	−703	−3,095
Agricultural Conservation Easement	−146	−60	173	283	216	123	86	72	63	70	466	880
Regional Conservation Partnership	−3	−7	−8	−8	−10	−10	−10	−10	−10	−10	−36	−86
Other Conservation	131	90	51	39	15	9	10	10	10	10	326	375
Repeal of Wildlife Habitat Incentives	−18	−37	−47	−57	−66	−76	−85	−85	−85	−85	−225	−641
Subtotal, Title II	−46	−50	−375	−477	−593	−775	−856	−930	−994	−1,051	−1,541	−6,148
Title IV—Nutrition:												
Updating Program Eligibility	−615	−1,240	−1,255	−1,255	−1,235	−1,210	−1,195	−1,180	−1,170	−1,155	−5,600	−11,510
Utility Allowances	0	−130	−530	−540	−540	−540	−550	−550	−550	−560	−1,740	−4,490
Interaction Effects	0	2	10	10	10	10	10	10	10	10	32	82
Changes to Grants	−37	−37	−28	−28	−30	−36	−38	−38	−38	−38	−160	−348
Retailer Equipment	−7	−8	−8	−8	−8	−8	−8	−8	−8	−8	−39	−79
Expiring Provisions	25	25	26	26	27	27	28	28	29	29	129	270
Subtotal, Title IV	−634	−1,388	−1,785	−1,795	−1,776	−1,757	−1,753	−1,738	−1,727	−1,722	−7,378	−16,075
Title VI—Rural Development:												
Value-Added Marketing Grants	0	18	15	15	2	0	0	0	0	0	50	50

TABLE 2. ESTIMATED EFFECTS ON DIRECT SPENDING FOR H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012—Continued

	By fiscal year, in millions of dollars—											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013–2017	2013–2022
Rural Economic Development Loans and Grants	0	1	5	7	7	7	7	7	7	7	20	55
Subtotal, Title VI	0	19	20	22	9	7	7	7	7	7	70	105
Title VII—Research, Extension, and Related Matters:												
Organic Agriculture Research and Extension	8	13	16	16	16	8	3	0	0	0	69	80
Specialty Crop Research	13	23	29	48	50	53	50	50	50	50	163	416
Beginning Farmer and Rancher Development	3	5	8	10	10	8	5	1	0	0	36	50
Subtotal, Title VII	23	40	53	74	76	68	58	52	50	50	267	546
Title VIII—Forestry	0	1	1	1	1	0	0	0	0	0	4	4
Title IX—Energy	−5	−5	8	2	0	0	0	0	0	0	0	0
Title X—Horticulture:												
Farmers Market and Local Food Promotion	20	20	20	20	20	0	0	0	0	0	100	100
Organic Agriculture and Technology Upgrade	3	4	1	1	1	0	0	0	0	0	10	10
Specialty Crop Block Grants	8	14	15	15	15	15	15	15	15	15	67	142
Plant, Pest, and Disease Management	5	13	16	17	22	22	22	22	22	22	73	181
Subtotal, Title X	36	51	52	53	58	37	37	37	37	37	250	435
Title XI—Crop Insurance:												
Supplemental Coverage Option	0	42	405	465	461	514	512	524	543	531	1,373	3,998
Reducing Premiums for CAT	0	−5	−45	−53	−54	−54	−55	−56	−57	−58	−157	−437
Enterprise Units for Irrigated and Nonirrigated Crops	0	5	50	59	60	62	65	67	68	70	174	506
Adjustment in APH Yields	0	12	116	136	138	140	143	146	147	149	402	1,127
Crop Production on Native Sod	0	0	−4	−8	−11	−15	−16	−16	−16	−16	−23	−102
Beginning Farmer Provisions	0	2	16	20	21	25	27	27	27	28	59	192
Stacked Income Protection for Cotton	0	0	314	400	380	492	540	577	574	574	1,094	3,851
Peanut Revenue Crop Insurance	0	3	26	30	30	30	30	30	30	30	89	239
Participation Effects of Commodity Programs	0	−7	−65	−77	−87	−90	−75	−79	−80	−79	−236	−639
Equitable Relief for Specialty Crop Producers	82	41	41	41	0	0	0	0	0	0	205	205
Coverage Level by Practice	0	2	17	20	20	21	21	21	22	22	59	166
Implementation	2	21	16	15	15	14	2	0	0	0	69	85
Limitation on Expenditures for Livestock Pilot Program	0	3	26	30	30	30	30	30	30	30	89	239

Noninsured Assistance	0	1	10	12	12	12	12	12	12	12	36	96
Subtotal, Title XI	84	120	923	1,089	1,015	1,181	1,235	1,283	1,300	1,292	3,231	9,523
Title XII—Miscellaneous	5	8	10	10	10	5	2	0	0	0	43	50
Total Changes in Outlays from Direct Spending	−306	−5,968	−3,612	−3,491	−3,327	−3,387	−3,709	−3,698	−3,834	−3,810	−16,705	−35,143

Note: CAT = Catastrophic Crop Insurance; APH = Average Producer History; components may not sum to totals because of rounding.

Title I: Commodity Programs. Title I would repeal most current agricultural price and income support programs for crop and dairy producers. It would authorize new revenue protection programs for those producers, reauthorize price support loan programs for crop producers, and reauthorize agricultural disaster assistance programs for livestock producers. Under the bill, we estimate that federal spending on commodity programs would total $39.4 billion over the 2013–2022 period—or $23.6 billion less than expected if current law were continued.

End Current Commodity Programs. Title I would end:

- Direct payments made to producers based on historical acres and yields using fixed payment rates not affected by market prices;
- Countercyclical payments made to producers based on historical acres and yields using payment rates partly determined by market prices; and
- Average Crop Revenue Election payments made to producers based on any shortfall in actual revenue received by the producer compared to the expected revenue.

Each of those programs will expire at the end of 2012 but are assumed to continue in the CBO baseline. Ending those three programs would reduce spending on commodity programs, compared to the CBO baseline, by $50.2 billion over the 2013–2022 period.

Farm Risk Management Election. The commodity programs ended under the bill would be replaced by a new Farm Risk Management Election (FRME) program. Under FRME, producers would make a one-time choice to receive either price loss coverage (PLC) for their farm or revenue loss coverage (RLC) for their county. Each option would be available for all major crops other than upland cotton. Under PLC, producers would receive a payment from the federal government whenever the national average market price for each crop was less than an effective price specified in the legislation. This price difference would be paid on a fixed yield (which the producer would have one opportunity to update) and a portion of planted acres for each crop. Producers who choose RLC would receive a payment to partially compensate them for any difference between the actual revenue from selling their crops in their county and the revenue the government expects the producers to receive in that county using a calculation specified in the bill.

CBO estimates that spending for the new FRME program would total $24.5 billion over the 2013–2022 period, of which $16.0 billion would be for PLC and $8.5 billion for RLC. CBO estimates that, in total, FRME payments would average about $3.1 billion per year; however, actual payments from year to year would probably vary considerably from that expected average payment.

Dairy Program. Subtitle D would replace current government support programs for dairy producers—Dairy Product Price Support, Milk Income Loss Contract Payments, and Dairy Export Incentives Program—with a new Dairy Production Margin Protection Program (DPMPP) and a Dairy Market Stabilization Program (DMSP). CBO estimates that the new dairy provisions would cost $353 million over the 2013–2022 period. However, that cost would be more than offset by repealing the current dairy programs. CBO estimates that enacting the dairy provisions in this subtitle would result in a net savings of $38 million over the 2013–2022 period.

CBO expects that actual payments from the new dairy program would vary considerably from the average annual payments presented in this estimate.

Supplemental Agriculture Disaster Assistance. The bill would reauthorize four disaster assistance programs for livestock and tree-crop producers. Those programs include the Livestock Indemnity Program; Livestock Forage Program; Emergency Assistance for Livestock; and Honey Bees, Farm-raised Fish, and Tree Assistance. Those programs expired September 30, 2011, and are not assumed to continue in the baseline. CBO estimates that continuing those programs would cost almost $2.0 billion for the 2013–2022 period.

Other Commodity Provisions. The bill also would reauthorize commodity loan programs, establish new limits for FRME and livestock disaster payments, and provide $100 million to USDA for administrative costs to implement the new programs. CBO estimates that those provisions would have a net cost of $131 million over the 2013–2022 period.

Title II: Conservation. Title II would amend USDA's land conservation programs that are authorized to expend funds from the Commodity Credit Corporation (CCC). Under the bill, CBO estimates that spending on land conservation programs would total $57.9 billion over the 2013–2022 period—or about $6.1 billion less than expected under a continuation of current law. Significant changes to USDA's conservation programs include:

- Reducing the maximum acreage eligible for the Conservation Reserve Program each year from 32 million acres to 25 million acres by 2017. CBO estimates that this provision would reduce future spending by $3.6 billion over the 2013–2022 period.
- Reducing maximum annual enrollment in the Conservation Stewardship Program from 12.769 million acres to 9.000 million acres. CBO estimates that provision would reduce direct spending by $3.1 billion over the 2013–2022 period.
- Establishing a new Agricultural Conservation Easement Program to replace the Wetlands Reserve Program, Grasslands Reserve Program, Farmland Protection Program, and Farm Viability Program. CBO estimates that the new program would cost $880 million more than the amounts assumed in the CBO baseline for those existing programs over the 2013–2022 period.
- Establishing a new Regional Conservation Partnership Program that would combine the Agricultural Water Enhancement Program, the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiative, and the Great Lakes Basin Program. CBO estimates that the new program would cost $86 million less than continuing the existing programs over the 2013–2022 period.
- Continuing funding for several other conservation programs, such as the Voluntary Public Access and Habitat Incentives Program and the Small Watershed Rehabilitation Program. CBO estimates that those provisions would cost $375 million more than the amounts in CBO's baseline for the 2013–2022 period.
- Repealing the Wildlife Habitat Incentives Program. CBO estimates that ending this program would reduce spending by $641 million relative to continuing to operate it over the 2013–2022 period.

Title III: Trade. The bill would amend the trade promotion and food assistance programs administered by USDA and the U.S. Agency for International Development (USAID). It would extend the authorized funding levels through 2017 for the:

- Export Credit Guarantee Program,
- Market Access Program,
- Foreign Market Development Program,
- Food for Progress Program, and
- Several technical assistance programs for specialty crops and emerging markets.

Because CBO's baseline assumes that those trade programs continue to operate beyond their scheduled expiration dates, we estimate that the provisions in title III would not change the cost of those programs, which we estimate will total $3.4 billion over the 2013–2022 period.

Title IV: Nutrition. The legislation would extend spending authority for the Supplemental Nutrition Assistance Program (SNAP) and other nutrition assistance programs and change how those programs operate. In total, CBO estimates that enacting the provisions in title IV would cost $756 billion—$16.1 billion less than expected under the baseline for the 2013–2022 period.

Updating Program Eligibility. Individuals in households in which all members receive cash assistance from the Temporary Assistance to Needy Families Program (TANF), Supplemental Security Income, or similar state cash assistance programs are considered automatically eligible for SNAP and are not subject to the program's income and asset requirements. States currently have the option to extend such categorical eligibility to households that receive or are eligible to receive noncash services through TANF.

The legislation would restrict categorical eligibility to households receiving cash assistance. Based on data from the Department of Agriculture, CBO estimates that about 1.8 million people per year, on average, would lose benefits if they were subject to SNAP's income and asset tests. In addition, about 280,000 school-age children in those households would no longer be automatically eligible for free school meals through their receipt of SNAP benefits. CBO estimates that this provision would lower direct spending by $11.5 billion over the 2013–2022 period.

Utility Allowances. Under current law, households qualify for a Heating and Cooling Standard Utility Allowance (HCSUA) if they provide proof that they pay heating or cooling expenses or receive any assistance through the Low-Income Home Energy Assistance Program (LIHEAP). The bill would eliminate the automatic qualification for those allowances for households who receive less than $10 each year in energy assistance, beginning in fiscal year 2014. (States would have the option to delay implementation for six months for current recipients.) The value of the HCSUA is used, along with other factors, to determine the amount of housing expenses that households can deduct from their income.

Some states send nominal LIHEAP benefits (typically between $1 and $5, and typically only once per year) to SNAP participants to automatically qualify them for the utility allowance. Based on discussions with states, CBO assumes that some states would continue to send LIHEAP benefits that meet the $10 minimum qualification to some SNAP participants, but others would discontinue

that practice. CBO estimates that under this provision, nearly 500,000 households each year would have their SNAP benefits reduced by an average of $90 per month. In total, CBO estimates that enacting this provision would reduce direct spending by about $4.5 billion over the 2013–2022 period.

Interaction Effects. Restricting categorical eligibility would reduce the total number of households receiving SNAP benefits; changes to standard utility allowances would reduce the benefit amounts that households receive. Therefore, the estimated savings from each provision would be reduced if they were enacted simultaneously. Accounting for the interactions between those provisions, CBO estimates that the total savings would decline by $82 million over the 2013–2022 period.

Changes to Grant Programs. Enacting the legislation would reduce net spending for nutrition-related grant programs by $348 million over the 2013–2022 period. Specifically, the bill would:

- Eliminate $48 million in annual funding for awards to states with high or improved performance in administering SNAP, for total savings of $480 million over the 2013–2022 period;
- Eliminate $5 million in annual funding for projects to simplify application systems for SNAP and improve access to the program, for total savings of $50 million over the 2013–2022 period;
- Provide $5 million per year for USDA to pursue activities to prevent trafficking of SNAP benefits, with a total cost of $50 million over the 10-year period;
- Provide an additional $10 million each year for community food projects for a total cost of $100 million over the 2013–2022 period—in addition to $5 million per year provided by USDA under current law; and
- Provide a total of $32.5 million for USDA to conduct a study and pilot program in the Commonwealth of the Northern Mariana Islands.

Retailer Equipment. All SNAP recipients use an electronic benefit transfer (EBT) card to pay for food. Under current law, retail food stores may request a point-of-sale terminal that accepts EBT cards. (Most larger grocery stores use their existing debit/credit card machines and program them to also accept EBT cards.) The cost of leasing this equipment from the state's EBT contractor is split between states and the federal government. The bill would require all retailers to assume the full cost of the equipment. Based on data from the USDA Food and Nutrition Service, CBO estimates that eliminating the federal share of those costs would reduce direct spending by $79 million over the 2013–2022 period.

Expiring Provisions. The bill would reauthorize SNAP, which includes funding of The Emergency Food Assistance Program (TEFAP) and the Senior Farmers Market Nutrition Program (which the bill would rename the Farmers Market Nutrition Program), through 2017. Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, those extensions are assumed in CBO's current baseline projections and have no cost relative to that baseline. Under the assumptions underlying CBO's March 2012 baseline projections, we estimate that extending SNAP for the 2013–2017 period would result in outlays of almost $370 billion

over that period (including $1.4 billion for TEFAP) and that extending the Farmers Market Nutrition Program would result in outlays of $103 million.

In addition to reauthorizing those programs, the bill would increase funding for commodity purchases made through TEFAP. The commodities are distributed by states to local organizations, including food banks and shelters. That provision would increase direct spending for the program above baseline levels by $270 million over the 2013–2022 period.

Other provisions in title IV would reduce costs in SNAP by less than $500,000 over the 2013–2022 period:

- The bill would make households automatically ineligible for SNAP if a member of that household receives substantial lottery or gambling winnings.
- The bill would allow the Secretary of Agriculture to impose new restrictions on states that carry out programs to allow certain SNAP recipients to purchase meals at restaurants.
- The bill would require states to use the Systematic Alien Verification for Entitlements (SAVE) program to verify the immigration status of non-citizen applicants.

Title VI: Rural Development. Title VI would provide $50 million in mandatory funding for grants to producers of value-added agricultural products for marketing and for developing a business plan. The title also would authorize funding derived from the Cushion of Credit payments program to be used to provide grants and loans to rural cooperatives and other borrowers that relend such funds to consumers for energy-efficiency projects. CBO estimates that spending for both programs would total $105 million over the 2013–2022 period.

Title VII: Research, Extension, and Related Matters. Under the bill, CBO estimates that spending on agriculture research, extension activities, and related efforts would total $760 million—an increase of $546 million above estimated expenses under the baseline over the 2013–2022 period. Programs authorized by this title include:

- Organic Agriculture Research and Extension Initiative,
- Specialty Crop Research Initiative; and
- Beginning Farmer and Rancher Development Program.

Title VIII: Forestry. Title VIII would authorize the Forest Service through 2017 to enter into special contracts known as stewardship contracts. Under such contracts, the Forest Service and the Department of the Interior use timber resources owned by the government in lieu of cash to compensate firms that provide certain services related to forest management. Under current law, authority to enter into stewardship contracts will expire in 2013. Because CBO expects that some of the timber that would be used as compensation under stewardship contracts would be sold under current law, we estimate that enacting this provision would reduce net offsetting receipts (a credit against direct spending) by $1 million a year over the 2014–2017 period. Thus, enacting this provision would increase direct spending $4 million over the next 10 years.

Title IX: Energy. CBO estimates that spending on the energy programs covered in the legislation would total $750 million over the 2013–2022 period—the same spending level assumed in the baseline. Rural energy programs that had received mandatory

funding in the previous farm bill would now be made subject to appropriation.

Title X: Horticulture. Under the bill, CBO estimates that spending for horticulture programs would total $1.5 billion over the 2013–2022 period—$435 million more than the expected cost of continuing those programs under current law. Programs authorized by the bill include:

- Farmers Market and Local Food Promotion Program,
- Specialty Crop Block Grants,
- Plant Pest and Disease Management, and
- A variety of other smaller programs.

Title XI: Crop Insurance. Under the bill, CBO estimates that spending on federal crop insurance programs would total $99.0 billion over the 2013–2022 period—about $9.5 billion more than we expect would be spent if those programs were continued under current law.

Supplemental Coverage Option. Beginning with the 2014 crops, the Supplemental Coverage Option (SCO) authorized in section 11003 would allow farmers to combine farm-level crop insurance coverage with crop insurance based on county-level coverage. This option would be subject to a deductible of 10 percent of expected revenue for farmers participating in the Price Loss Coverage program. USDA would pay 70 percent of the premium for the SCO policy. CBO estimates that implementing the supplemental coverage provisions would cost $4 billion over the 2013–2022 period.

Reducing Premiums for CAT. Section 11004 would require USDA to reduce the premium for crop insurance protection against catastrophic losses (known as CAT coverage). This change in premiums would reduce government costs because the amounts paid by USDA to private insurance companies for delivering crop insurance are based on that premium. CBO estimates that reducing the premium for CAT coverage would save $437 million over the 2013–2022 period.

Enterprise Units for Irrigated and Nonirrigated Crops. Farmers who choose to buy crop insurance for a particular crop must buy insurance on all of the acres of that crop that they grow in the county. However, farmers may divide their cropland into separate units so that if one unit has a loss and the others do not, the loss is paid on the unit with a loss regardless of the production from other units. (Dividing cropland into separate units increases the likelihood of being paid for a loss but also increases the premium the farmer pays for the insurance.) Section 11007 would allow farmers to separate irrigated and nonirrigated farmland into different units without an increase in their premiums. CBO estimates that this change would cost $506 million over the 2013–2022 period.

Adjustments in APH Yields. Crop insurance benefits are generally based on a farmer's actual production history (APH). Under the program rules, however, the actual yields for any years with unusually low yields can be replaced with a "yield plug" equal to 60 percent of the average crop yield in the county where the insurance is purchased. Section 11009 would increase the "yield plug" from 60 percent to 70 percent for all years with unusually low yields. CBO estimates that change would cost $1.1 billion over the 2013–2022 period.

Crop Production on Native Sod. Section 11013 would limit commodity program payments and benefits under the crop insurance and the Noninsured Assistance Program to farmers in the Prairie Pothole Region who convert native sod (rangeland that has never been cultivated) to cropland. CBO estimates that change would save $102 million over the 2013–2022 period.

Beginning Farmer Provisions. Section 11015 would reduce fees, raise premium subsidies, and allow for adjustments in the actual production histories of beginning farmers, which would increase insurance guarantees and government costs. CBO estimates that change would cost $192 million over the 2013–2022 period.

Stacked Income Protection for Cotton. Section 11016 would establish a new Stacked Income Protection Plan (STAX). Based on information from USDA, CBO expects that STAX could not be offered before the 2014 crop of upland cotton has been produced. Under STAX, upland cotton producers would be eligible to purchase a crop insurance policy for revenue losses of between 10 percent and 30 percent of the expected revenue from cotton crops in the county, with a minimum guaranteed price of $0.6861 per pound. USDA would pay 80 percent of the premium of the STAX policy. CBO estimates that STAX would cost $3.9 billion over the 2013–2022 period.

Peanut Revenue Crop Insurance. Section 11017 would establish a revenue crop insurance program for peanuts. CBO estimates that this program would cost $239 million over the 2013–2022 period.

Participation Effects of Commodity Programs. Because title I would eliminate direct payments and allow farmers to choose between countercyclical payments and a new revenue protection program, CBO expects that producers choosing the revenue program would reduce their participation in the crop insurance program. CBO estimates that reduction in crop insurance participation would save about $0.6 billion over the 2013–2022 period.

Other Crop Insurance Provisions. Other provisions in title XI would provide for additional delivery expense reimbursements on specialty crop policies (section 11011), allow for different coverage levels on a farm for irrigated and nonirrigated practices (section 11014), provide funding for implementation (section 11019), increase annual expenditures for livestock pilot programs (section 11023), and increase coverage options under the Noninsured Assistance Program (section 11024). In total, CBO estimates that those provisions would increase outlays by $790 million over the 2013–2022 period.

Title XII: Miscellaneous. Title XII would reauthorize CCC spending for outreach and assistance for socially disadvantaged and veteran farmers and ranchers, at a cost of $50 million over the 2013–2022 period.

Spending subject to appropriation

CBO estimates that implementing the provisions of the Agriculture Reform, Food, and Jobs Act of 2012 that authorize appropriations would cost $22.1 billion over the 2013–2017 period, assuming appropriation of the necessary funds. Those discretionary costs are displayed in Table 3 and described in further detail below.

Title I: Commodity Programs. Section 1605 would reauthorize the Geographically Disadvantaged Farmers and Ranchers Program to reimburse such producers for certain transportation costs. Based on amounts provided in recent years, CBO estimates that implementing this provision would cost $24 million over the next five years.

Title II: Conservation. CBO estimates that implementing the discretionary programs authorized by title II would cost $680 million over the 2013–2017 period. That amount includes $291 million for conservation of private grazing land, $292 million for rehabilitating small watersheds, and $97 million for protecting grassroots source water.

TABLE 3. ESTIMATED EFFECTS ON DISCRETIONARY SPENDING FROM IMPLEMENTING THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By fiscal year, in millions of dollars—					
	2013	2014	2015	2016	2017	2013–2017
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Title I—Commodity Programs:						
Estimated Authorization Level	5	5	5	5	5	25
Estimated Outlays	4	5	5	5	5	24
Title II—Conservation:						
Estimated Authorization Level	165	165	165	165	825	
Estimated Outlays	81	123	149	162	165	680
Title III—Trade:						
Estimated Authorization Level	1,697	2,199	2,202	2,205	2,209	10,511
Estimated Outlays	642	1,572	1,992	2,122	2,175	8,503
Title IV—Nutrition:						
Estimated Authorization Level	198	196	198	202	204	998
Estimated Outlays	182	196	198	201	204	981
Title V—Credit:						
Estimated Authorization Level	91	91	91	99	99	471
Estimated Outlays	84	91	91	98	99	463
Title VI—Rural Development:						
Estimated Authorization Level	319	319	319	319	319	1,596
Estimated Outlays	30	130	212	281	309	963
Title VII—Research, Extension, and Related Matters:						
Estimated Authorization Level	1,979	2,004	2,029	2,055	2,082	10,149
Estimated Outlays	1,010	1,596	2,012	2,037	2,063	8,719
Title VIII—Forestry:						
Authorization Level	77	77	77	77	77	386
Estimated Outlays	35	54	66	73	77	305
Title IX—Energy:						
Authorization Level	271	271	271	271	271	1,355
Estimated Outlays	71	150	210	252	271	953
Title X—Horticulture:						
Estimated Authorization Level	36	36	36	36	180	
Estimated Outlays	25	33	36	36	36	166
Title XI—Crop Insurance:						
Estimated Authorization Level	1	0	0	0	0	1
Estimated Outlays	1	0	0	0	0	1
Title XII—Miscellaneous:						
Estimated Authorization Level	72	71	71	71	71	356
Estimated Outlays	39	60	71	71	71	312
Total Changes:						
Estimated Authorization Level	4,911	5,434	5,464	5,505	5,537	26,852
Estimated Outlays	2,203	4,011	5,042	5,339	5,476	22,070

Note: Components may not sum to totals because of rounding.

Title III: Trade. CBO estimates that implementing title III would cost $8.5 billion over the 2013–2017 period, assuming appro-

priation of the necessary amounts. Major components of that total are described below.

Public Law 480. The Agricultural Trade Development and Assistance Act of 1954, typically referred to as Public Law 480, established a variety of programs to provide food assistance to countries around the world. Section 3011 of the bill would extend the expiring authorities for title II of Public Law 480 (emergency and nonemergency food assistance programs) from December 31, 2012, to December 31, 2017. Section 3012 would authorize the appropriation of $2 billion each year for those programs over the 2013–2017 period. Funding for title II programs, as set in annual appropriation acts, has remained around $1.5 billion in recent years. While section 3010 also would extend the authority for title I (Trade and Economic Development Assistance) and title III (Food for Development) of Public Law 480, those programs have received no new funding in recent years. CBO estimates that implementing section 3011 would cost $7.5 billion over the 2013–2017 period.

McGovern-Dole International Food for Education and Child Nutrition Program. Under current law, the authorization of appropriations for the McGovern-Dole program expires at the end of 2012.The bill would reauthorize the appropriation of funds for this program through 2017. Funding for this program is used to purchase commodities and donate them overseas in support of infant and school feeding programs. In 2012, funding for this program was $184 million. Assuming that funding continues at that level and adjusting for anticipated inflation, CBO estimates that implementing this provision would cost $932 million over the 2013–2017 period.

Global Crop Diversity Trust. Section 3206 would reauthorize funding to help promote the conservation of food crops. This provision would authorize the appropriation of $50 million over the 2013–2017 period, and CBO estimates that implementing it would cost $50 million over that period.

Title IV: Nutrition. CBO estimates that implementing the discretionary provisions of title IV would cost about $1 billion over the 2013–2017 period, assuming appropriation of the necessary amounts.

Commodity Supplemental Food Program. The bill would reauthorize through 2017 and modify the Commodity Supplemental Food Program (CSFP). The program currently provides food packages to low-income elderly people, pregnant and postpartum women, and young children. Under the bill, only low-income people aged 60 or older could receive benefits. CBO estimates that this change would reduce costs in the program by about 3 percent per year. The CSFP received an appropriation of $177 million in fiscal year 2012. CBO estimates that implementing this provision would cost $881 million over the 2013–2017 period, assuming the appropriation of the necessary amounts.

Farmers Market Nutrition Program. The bill would authorize the appropriation of funds for the Farmers Market Nutrition Program. Based on historical spending on similar activities, CBO estimates that implementing this provision would cost $100 million over the 2013–2017 period, assuming the appropriation of the necessary amounts. This authority would be in addition to the $103 million

in mandatory funds provided over that period for the same purpose.

Title V: Credit. CBO estimates that implementing title V would cost $463 million over the 2013–2017 period, assuming appropriation of the necessary amounts. Components of that total are described below.

Authorization of Appropriations and Allocation of Funds. Section 5301 would amend and extend the farm credit programs administered by USDA. CBO estimates that implementing the authorized loan levels, based on subsidy rates in 2011, would cost $418 million over the 2013–2017 period. Section 5301 also would reauthorize the conservation loan program and grants to farmers with individual development savings accounts. CBO estimates that implementing the conservation loan program and the individual development accounts would cost $30 million over the next five years.

State Agricultural Mediation Programs. Section 5002 would extend the authorization for appropriations to State Agricultural Mediation Programs for two years, from 2015 to 2017, and would cost $15 million over that period.

Title VI: Rural Development. Title VI would reauthorize a number of rural development programs, including grants and other financial assistance for infrastructure improvement, business investment, and regional development. This title also would reauthorize and modify USDA's authority to guarantee loans under the Rural Electrification Act. CBO estimates that spending for those programs would total $963 million over the 2013–2017 period, assuming appropriation of amounts specified and estimated to be necessary. This estimate reflects historical expenditure patterns for similar rural development activities of USDA.

Title VII: Research, Extension, and Related Matters. Title VII would authorize appropriations for many agricultural research and education programs and initiatives. CBO estimates that implementing this title would cost $8.7 billion over the 2013–2017 period, assuming appropriation of the necessary amounts. About $3.4 billion of that amount is specifically authorized by the legislation. Estimated funding for the other programs is based on information from USDA and on funding levels provided for the same or similar programs or initiatives in recent years.

Estimated spending over the 2013–2017 period for research programs includes:

- $6.3 billion for basic research and extension services and for applied research in areas such as animal health, alternative crops, nutrition education, aquaculture, and rangeland;
- $0.2 billion to upgrade agriculture and food sciences facilities at traditionally black, Native American, and Hispanic-serving facilities;
- $1.2 billion for high-priority research and extension initiatives, such as biological applications, organic farming, specialty crops, and food protection;
- $0.4 billion for endowments, grants, and research at Native American land-grant institutions, and for beginning farmer and rancher development; and
- $0.6 billion for biosecurity planning, preparation, response, development of countermeasures, national products research, and for research in biomass and bioenergy.

Title VIII: Forestry. Title VIII would authorize the appropriation of $223 million over the 2013–2017 period for programs established by the Cooperative Forestry Assistance Act of 1978. Those programs protect environmentally sensitive forest lands, provide technical assistance to private forest owners, and award grants to local governments to establish community forests. Title VIII also would authorize the appropriation of $82 million over that period for other forestry programs. In total, CBO estimates that implementing title VIII would cost about $305 billion over the 2013–2017 period, assuming appropriation of the necessary amounts.

Title IX: Energy. Title IX would authorize appropriations of $1.4 billion over the next five years for the energy programs covered in the legislation. The bill would authorize:

- $375 million for grants and loan guarantees to individuals, state and local governments, cooperatives, and other entities to fund the development, construction, and retrofitting of demonstration- and commercial-scale biorefineries;
- $225 million for grants and loan guarantees to state and local governments, rural electric cooperatives, and other entities to perform energy audits, purchase renewable energy systems, and improve energy efficiency;
- $250 million for the Secretaries of Agriculture and Energy to coordinate policies and procedures that promote research and development regarding the production of biofuels and biobased products;
- $375 million for extending the Biomass Crop Assistance Program to encourage producers to grow biomass crops and to cover a portion of the cost to transport biomass products to facilities that would convert those products into energy; and
- $130 million for various other energy programs.

Assuming appropriations of the specified amounts, CBO estimates that implementing title IX would cost $953 million over the next five years.

Title X: Horticulture. Assuming appropriation of the authorized amounts, CBO estimates that implementing title X would cost $166 million over the 2013–2017 period to support and encourage farmers' markets and local food promotion programs, modernization and technology upgrades for the National Organic Program, specialty crop market news, and organic production and market data initiatives.

Title XI: Crop Insurance. Title XI would require USDA to conduct studies on the feasibility of food safety insurance, a poultry catastrophic disease program, and poultry business interruption insurance policies. CBO estimates those studies would cost $1 million.

Title XII: Miscellaneous. CBO estimates that implementing title XII would cost $312 million over the 2013–2017 period, assuming appropriation of the necessary amounts, for a variety of programs, including:

- $95 million for outreach and assistance for socially disadvantaged and veteran farmers and ranchers,
- $70 million for national sheep industry improvement center, trichinae certification, and aquatic animal health,
- $86 million to development and promotion of maple syrup, and

- $61 million for safety and training of the agricultural labor force and for establishing an office of tribal relations and a military veterans agricultural liaison office in USDA.

Pay-As-You-Go-Considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting on-budget direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are show in the following table.

TABLE 4. CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON AGRICULTURE ON JULY 11, 2012

	By fiscal year, in millions of dollars—												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012–2017	2012–2022
NET INCREASE OR DECREASE (−) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	−306	−5,968	−3,612	−3,491	−3,327	−3,387	−3,709	−3,698	−3,834	−3,810	−16,705	−35,143

Intergovernmental and private-sector impact: The bill would impose intergovernmental and private-sector mandates as defined in UMRA. CBO estimates that the aggregate costs of mandates on state, local, and tribal governments would fall below the annual threshold established in UMRA for intergovernmental mandates ($73 million in 2012, adjusted annually for inflation). Because the cost of some of the mandates on the private sector would depend on future regulations, CBO cannot determine whether the aggregate cost of those mandates would exceed the annual threshold established in UMRA for private-sector mandates ($146 million in 2012, adjusted annually for inflation).

Mandates that apply to public and private entities

The bill would impose an intergovernmental and private-sector mandate by extending maintenance fees for the use of pesticides through 2017. The bill also would increase the amount of maintenance fees collected annually to about $28 million from the current $22 million collected. According to information from the Environmental Protection Agency, public entities usually receive waivers from maintenance fees for minor use or public health uses. Thus, fees paid by public entities are minimal and make up a very small portion of the total fees collected. The majority of the amount collected would be paid by private entities.

Mandates that apply to public entities only

The bill would preempt state laws that regulate the production and manufacture of agricultural products offered for sale in interstate commerce if those laws impose standards or conditions that are in addition to the standards and conditions imposed by federal law or the laws of the producing or manufacturing state. Many states have laws regulating the production and manufacture of agricultural products that are different than the laws of other states. By limiting a state's ability to regulate agricultural products sold under its jurisdiction, the bill would preempt state authority. However, because state and local governments would not be required to take any action resulting in additional spending or lost revenue, CBO estimates that the cost of the preemption would be insignificant.

Mandates that apply to private entities only

Requirements on Dairy Handlers. The bill would impose mandates on dairy handlers that purchase milk from dairy producers participating in the Dairy Market Stabilization Program (DMSP). Under the DMSP, when producer margins fall below a designated amount, handlers would be required to report information to USDA, reduce payments for milk to participating dairy producers, and pay to USDA the amount by which the payment was reduced. Thus, the bill would impose new requirements on dairy handlers who are not voluntary participants in DMSP. According to information from industry sources, the cost for handlers to collect and report information under the DMSP could amount to hundreds of millions of dollars annually, depending on regulations to be issued by USDA.

Standards for Imports of Olive Oil. The bill would require imports of olive oil to meet the same standards as olive oil pro-

duced in the United States if a marketing order for olive oil is established. A marketing order for olive oil has been proposed, but the process of approving the order is in its early stages. CBO has no basis for determining what the final standards of a marketing order would be, if approved; and thus the cost to importers is uncertain.

Pesticide Fees and Reporting Requirements. The bill would impose a private-sector mandate by extending registration service fees for the use of pesticides for five years. Pesticide registration service fees amount to about $15 million annually. The bill also would impose a private-sector mandate if manufacturers of pesticides currently exempt from registration requirements would be required to submit efficacy data to support some statements on product labels. Based on information from the Environmental Protection Agency and industry experts, CBO expects that the cost of the mandate could amount to tens of millions of dollars.

PREVIOUS CBO ESTIMATES

Draft House Legislation

On July 5, 2012, CBO transmitted a cost estimate for draft legislation that was posted on the Web site of the House Committee on Agriculture prior to markup. The current estimate is based on H.R. 6083, as ordered reported by the committee on July 11, 2012. The amendments adopted during markup affected estimates of discretionary spending.

S. 3240

On July 6, 2012, CBO transmitted a cost estimate for S. 3240, the Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012. CBO estimated that enacting S. 3240 would bring total direct spending for USDA programs to $970.0 billion over the 2013–2022 period, or $23.1 billion less than CBO projected would be spent if current programs continued as under current law. H.R. 6083, the Federal Agriculture Reform and Risk Management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012, would result in total direct spending for USDA programs of $957.7 billion over the 2013–2022 period, or $35.1 billion less than the CBO baseline projections for those programs. Thus, H.R. 6083 would result in total direct spending for USDA programs over the 2013–2022 period that is $12.0 billion less than S. 3240.

Differences between S. 3240 and H.R. 6083 are shown in Table 5. The combined change in spending from provisions affecting commodities and crop insurance is similar between the two bills—$14.1 billion less in the H.R. 6083 and $14.4 billion less in S. 3240, compared with continuation of current programs in the CBO baseline. However, H.R. 6083 would result in lower spending on commodities and more spending on crop insurance, compared with S. 3240.

Title I. The total change in commodity payments between the House and Senate bills is shown in Table 6. Estimated commodity payments under the House bill would be around $4.0 billion less than under the Senate bill, with the House bill resulting in relatively smaller reductions in payments for wheat, rice, and peanuts, and relatively higher reductions in payments for feed grains

and oilseeds, compared with the estimates for the Senate bill. The county-based revenue options in the two bills are similar, but payments under the price-loss coverage option in the House bill are expected to be lower than the farm-level revenue option in the Senate's legislation. In addition, the timing of payments in the House bill would be delayed until after October 1, so that there would be one less payment in the 2013–2022 period.

Title IV. CBO estimated that the nutrition provisions in title IV of S. 3240 would reduce direct spending by $4.0 billion over the 2013–2022 period, about $12.1 billion less than the reductions in title IV of H.R. 6083. While S. 3240 included the same change to utility allowances as H.R. 6083, H.R. 6083 contains additional cuts to SNAP, including provisions to restrict categorical eligibility and repeal state performance awards, among other changes.

Title XI. Changes in crop insurance provisions in H.R. 6083 are estimated to increase spending by $9.5 billion over the 2013–2022 period, compared with the estimated increase in spending of $5.0 billion for the crop-insurance provisions included in S. 3240. The higher estimated spending for the House bill reflects higher participation in the Supplemental Coverage Option, lower savings from commodity program effects on crop-insurance participation, and higher spending for the Stacked Income Protection program for cotton producers.

Discretionary Costs. S. 3240 would authorize spending subject to appropriation of $29.0 billion over the 2013–2022 period, CBO estimates, while the authorization level in H.R. 6083 would total an estimated $22.1 billion—$6.9 billion less than in S. 3240.

Agriculture Reconciliation Act of 2012

On April 23, 2012, CBO transmitted a cost estimate for the Agriculture Reconciliation Act of 2012, as approved by the House Committee on Agriculture on April 18, 2012. CBO estimated that enacting that legislation would reduce direct spending in nutrition programs by $33.7 billion over the 2013–2022 period, $17.6 billion more than would result if provisions in title IV of H.R. 6083 were enacted. Differences in the estimates reflect differences in the legislation.

The Agriculture Reconciliation Act included a change to SNAP utility allowances that CBO estimates would reduce benefits for more participants than a similar provision in H.R. 6083. The Agriculture Reconciliation Act would require all households to show proof that they pay heating or cooling costs to claim the utility allowance. Under H.R. 6083, SNAP households who receive energy assistance payments below $10 annually would no longer qualify automatically for a utility allowance and would have to show proof that they pay heating or cooling costs in order to claim the allowance; households who receive more than $10 annually in energy assistance would still qualify automatically for a utility allowance. The Agriculture Reconciliation Act also contained further cuts to SNAP that are not included in H.R. 6083, including provisions that would accelerate the sunset date of a benefit increase stemming from the American Recovery and Reinvestment Act and reduce funding for employment and training programs and nutrition education, among other changes.

TABLE 5. COMPARISON BY TITLE OF THE TOTAL CHANGE IN DIRECT SPENDING FOR H.R. 6083 AS ORDERED REPORTED ON JULY 11, 2012, AND S. 3240 AS PASSED ON JUNE 21, 2012

Description	Totals for fiscal years 2013–2022, in millions of dollars—		
	S. 3240 [a]	H.R. 6083 [b]	Difference [c]
Title I—Commodities:			
Change in Budget Authority	−19,188	−23,370	−4,182
Change in Outlays	−19,428	−23,584	−4,156
Title II—Conservation:			
Change in Budget Authority	−6,934	−6,446	448
Change in Outlays	−6,376	−6,148	228
Title IV—Nutrition:			
Change in Budget Authority	−3,940	−16,085	−12,135
Change in Outlays	−4,000	−16,075	−12,075
Title VII—Research, Extension, and Related Matters:			
Change in Budget Authority	715	580	−135
Change in Outlays	681	546	−135
Title IX—Energy:			
Change in Budget Authority	801	0	−801
Change in Outlays	780	0	−780
Title XI—Crop Insurance:			
Change in Budget Authority	5,901	10,999	5,098
Change in Outlays	5,036	9,523	4,487
Title XII—Miscellaneous:			
Change in Budget Authority	−374	50	424
Change in Outlays	−319	50	369
Other Titles: [d]			
Change in Budget Authority	514	538	24
Change in Outlays	482	542	59
Total Changes:			
Change in Budget Authority	−22,504	−33,751	−11,247
Change in Outlays	−23,143	−35,143	−12,000

[a] Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012.
[b] Federal Agriculture Reform and Risk Management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012.
[c] Difference = House estimate less Senate estimate.
[d] Other titles (with differences) include: Title III—Trade (0); Title V—Credit (0); Title VI—Rural Development (−10); Title VIII—Forestry (−5); and Title X—Horticulture (77).

TABLE 6. COMPARISON BY CROP OF THE TOTAL CHANGE IN COMMODITY PAYMENTS BETWEEN H.R. 6083 AS ORDERED REPORTED ON JULY 11, 2012, AND S. 3240 AS PASSED ON JUNE 21, 2012

Crop	Totals for fiscal years 2013–2022, in millions of dollars—		
	S. 3240 [a]	H.R. 6083 [b]	Difference [c]
Corn	−5,969	−11,031	−5,062
Sorghum	−525	−1,021	−496
Barley	−625	−138	487
Oats	−13	84	97
Total Feed Grains	−7,132	−12, 105	−4,973
Soybeans	1,272	−1,509	−2,781
Wheat	−6,673	−5,448	1,225
Upland Cotton [d]	−6,077	−6,077	0
Rice	−2,842	−1,075	1,767
Peanuts	−314	187	501
Other Oilseeds	44	243	199
Dairy	−59	−38	21
Dry Peas	17	101	84
Lentils	28	15	−13
Total Changes	−21,677	−25,707	−4,030

[a] Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012.
[b] Federal Agriculture Reform and Risk management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012.

[c] Difference = House minus Senate total changes.

[d]. Upland cotton does not include any potential benefits under the Stacked Income Protection Program in the Crop Insurance title, which CBO estimates would be $3.9 billion under H.R. 6083 and $3.2 billion under S. 3240 over the 2013–2022 period.

Note: Change from CBO March 2012 Baseline.

Estimate prepared by: Federal Costs: Jim Langley, Greg Hitz, Dave Hull, Kathleen FitzGerald, Emily Holcombe, Ann Futrell, Dan Hoople, and Jeff LaFave.

Impact on State, local, and tribal governments: J'nell L. Blanco and Lisa Ramirez-Branum.

Impact on the private sector: Amy Petz and Vi Nguyen.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objections of this legislation are to provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2017, and for other purposes.

CONSTITUTIONAL AUTHORITY STATEMENT

The Committee finds the Constitutional authority for this legislation in Article I, Section 8, Clause 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the Constitution of the United States or in any department or officer thereof.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimate prepared by the Director of the Congressional Budget Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

FEDERAL MANDATES STATEMENT

The Committee adopted as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

EARMARK STATEMENT REQUIRED BY CLAUSE 9 OF RULE XXI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

H.R. 6083 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House Representatives.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

FOOD, CONSERVATION, AND ENERGY ACT OF 2008

* * * * * * *

TITLE I—COMMODITY PROGRAMS

* * * * * * *

Subtitle A—Direct Payments and Counter-Cyclical Payments

* * * * * * *

[SEC. 1103. AVAILABILITY OF DIRECT PAYMENTS.

[(a) PAYMENT REQUIRED.—For each of the 2008 through 2012 crop years of each covered commodity (other than pulse crops), the Secretary shall make direct payments to producers on farms for which base acres and payment yields are established.

[(b) PAYMENT RATE.—Except as provided in section 1105, the payment rates used to make direct payments with respect to covered commodities for a crop year shall be as follows:

[(1) Wheat, $0.52 per bushel.

[(2) Corn, $0.28 per bushel.

[(3) Grain sorghum, $0.35 per bushel.

[(4) Barley, $0.24 per bushel.

[(5) Oats, $0.024 per bushel.

[(6) Upland cotton, $0.0667 per pound.

[(7) Long grain rice, $2.35 per hundredweight.

[(8) Medium grain rice, $2.35 per hundredweight.

[(9) Soybeans, $0.44 per bushel.

[(10) Other oilseeds, $0.80 per hundredweight.

[(c) PAYMENT AMOUNT.—The amount of the direct payment to be paid to the producers on a farm for a covered commodity for a crop year shall be equal to the product of the following:

[(1) The payment rate specified in subsection (b).

[(2) The payment acres of the covered commodity on the farm.

[(3) The payment yield for the covered commodity for the farm.

[(d) TIME FOR PAYMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), in the case of each of the 2008 through 2012 crop years, the Secretary may not make direct payments before October 1 of the calendar year in which the crop of the covered commodity is harvested.

[(2) ADVANCE PAYMENTS.—

[(A) OPTION.—

[(i) IN GENERAL.—At the option of the producers on a farm, the Secretary shall pay in advance up to 22 percent of the direct payment for a covered commodity for any of the 2008 through 2011 crop years to the producers on a farm.

[(ii) 2008 CROP YEAR.—If the producers on a farm elect to receive advance direct payments under clause (i) for a covered commodity for the 2008 crop year, as soon as practicable after the election, the Secretary shall make the advance direct payment to the producers on the farm.

[(B) MONTH.—

[(i) SELECTION.—Subject to clauses (ii) and (iii), the producers on a farm shall select the month during which the advance payment for a crop year will be made.

[(ii) OPTIONS.—The month selected may be any month during the period—

[(I) beginning on December 1 of the calendar year before the calendar year in which the crop of the covered commodity is harvested; and

[(II) ending during the month within which the direct payment would otherwise be made.

[(iii) CHANGE.—The producers on a farm may change the selected month for a subsequent advance payment by providing advance notice to the Secretary.

[(3) REPAYMENT OF ADVANCE PAYMENTS.—If a producer on a farm that receives an advance direct payment for a crop year ceases to be a producer on that farm, or the extent to which the producer shares in the risk of producing a crop changes, before the date the remainder of the direct payment is made, the producer shall be responsible for repaying the Secretary the applicable amount of the advance payment, as determined by the Secretary.

[SEC. 1104. AVAILABILITY OF COUNTER-CYCLICAL PAYMENTS.

[(a) PAYMENT REQUIRED.—Except as provided in section 1105, for each of the 2008 through 2012 crop years for each covered commodity, the Secretary shall make counter-cyclical payments to producers on farms for which payment yields and base acres are established with respect to the covered commodity if the Secretary determines that the effective price for the covered commodity is less than the target price for the covered commodity.

[(b) EFFECTIVE PRICE.—

[(1) COVERED COMMODITIES OTHER THAN RICE.—Except as provided in paragraph (2), for purposes of subsection (a), the effective price for a covered commodity is equal to the sum of the following:

[(A) The higher of the following:

[(i) The national average market price received by producers during the 12-month marketing year for the covered commodity, as determined by the Secretary.

[(ii) The national average loan rate for a marketing assistance loan for the covered commodity in effect for the applicable period under subtitle B.

[(B) The payment rate in effect for the covered commodity under section 1103 for the purpose of making direct payments with respect to the covered commodity.

[(2) RICE.—In the case of long grain rice and medium grain rice, for purposes of subsection (a), the effective price for each type or class of rice is equal to the sum of the following:

[(A) The higher of the following:

[(i) The national average market price received by producers during the 12-month marketing year for the type or class of rice, as determined by the Secretary.

[(ii) The national average loan rate for a marketing assistance loan for the type or class of rice in effect for the applicable period under subtitle B.

[(B) The payment rate in effect for the type or class of rice under section 1103 for the purpose of making direct payments with respect to the type or class of rice.

[(c) TARGET PRICE.—

[(1) 2008 CROP YEAR.—For purposes of the 2008 crop year, the target prices for covered commodities shall be as follows:

[(A) Wheat, $3.92 per bushel.

[(B) Corn, $2.63 per bushel.

[(C) Grain sorghum, $2.57 per bushel.

[(D) Barley, $2.24 per bushel.

[(E) Oats, $1.44 per bushel.

[(F) Upland cotton, $0.7125 per pound.

[(G) Long grain rice, $10.50 per hundredweight.

[(H) Medium grain rice, $10.50 per hundredweight.

[(I) Soybeans, $5.80 per bushel.

[(J) Other oilseeds, $10.10 per hundredweight.

[(2) 2009 CROP YEAR.—For purposes of the 2009 crop year, the target prices for covered commodities shall be as follows:

[(A) Wheat, $3.92 per bushel.

[(B) Corn, $2.63 per bushel.

[(C) Grain sorghum, $2.57 per bushel.

[(D) Barley, $2.24 per bushel.

[(E) Oats, $1.44 per bushel.

[(F) Upland cotton, $0.7125 per pound.

[(G) Long grain rice, $10.50 per hundredweight.

[(H) Medium grain rice, $10.50 per hundredweight.

[(I) Soybeans, $5.80 per bushel.

[(J) Other oilseeds, $10.10 per hundredweight.

[(K) Dry peas, $8.32 per hundredweight.

[(L) Lentils, $12.81 per hundredweight.

[(M) Small chickpeas, $10.36 per hundredweight.

[(N) Large chickpeas, $12.81 per hundredweight.

[(3) SUBSEQUENT CROP YEARS.—For purposes of each of the 2010 through 2012 crop years, the target prices for covered commodities shall be as follows:

[(A) Wheat, $4.17 per bushel.

[(B) Corn, $2.63 per bushel.
[(C) Grain sorghum, $2.63 per bushel.
[(D) Barley, $2.63 per bushel.
[(E) Oats, $1.79 per bushel.
[(F) Upland cotton, $0.7125 per pound.
[(G) Long grain rice, $10.50 per hundredweight.
[(H) Medium grain rice, $10.50 per hundredweight.
[(I) Soybeans, $6.00 per bushel.
[(J) Other oilseeds, $12.68 per hundredweight.
[(K) Dry peas, $8.32 per hundredweight.
[(L) Lentils, $12.81 per hundredweight.
[(M) Small chickpeas, $10.36 per hundredweight.
[(N) Large chickpeas, $12.81 per hundredweight.

[(d) PAYMENT RATE.—The payment rate used to make counter-cyclical payments with respect to a covered commodity for a crop year shall be equal to the difference between—

[(1) the target price for the covered commodity; and

[(2) the effective price determined under subsection (b) for the covered commodity.

[(e) PAYMENT AMOUNT.—If counter-cyclical payments are required to be paid under this section for any of the 2008 through 2012 crop years of a covered commodity, the amount of the counter-cyclical payment to be paid to the producers on a farm for that crop year shall be equal to the product of the following:

[(1) The payment rate specified in subsection (d).

[(2) The payment acres of the covered commodity on the farm.

[(3) The payment yield for the covered commodity for the farm.

[(f) TIME FOR PAYMENTS.—

[(1) GENERAL RULE.—Except as provided in paragraph (2), if the Secretary determines under subsection (a) that counter-cyclical payments are required to be made under this section for the crop of a covered commodity, beginning October 1, or as soon as practicable thereafter, after the end of the marketing year for the covered commodity, the Secretary shall make the counter-cyclical payments for the crop.

[(2) AVAILABILITY OF PARTIAL PAYMENTS.—

[(A) IN GENERAL.—If, before the end of the 12-month marketing year for a covered commodity, the Secretary estimates that counter-cyclical payments will be required for the crop of the covered commodity, the Secretary shall give producers on a farm the option to receive partial payments of the counter-cyclical payment projected to be made for that crop of the covered commodity.

[(B) ELECTION.—

[(i) IN GENERAL.—The Secretary shall allow producers on a farm to make an election to receive partial payments for a covered commodity under subparagraph (A) at any time but not later than 60 days prior to the end of the marketing year for that covered commodity.

[(ii) DATE OF ISSUANCE.—The Secretary shall issue the partial payment after the date of an announce-

ment by the Secretary but not later than 30 days prior to the end of the marketing year.

[(3) TIME FOR PARTIAL PAYMENTS.—When the Secretary makes partial payments for a covered commodity for any of the 2008 through 2010 crop years—

[(A) the first partial payment shall be made after completion of the first 180 days of the marketing year for the covered commodity; and

[(B) the final partial payment shall be made beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity.

[(4) AMOUNT OF PARTIAL PAYMENT.—

[(A) FIRST PARTIAL PAYMENT.—For each of the 2008 through 2010 crops of a covered commodity, the first partial payment under paragraph (3) to the producers on a farm may not exceed 40 percent of the projected counter-cyclical payment for the covered commodity for the crop year, as determined by the Secretary.

[(B) FINAL PAYMENT.—The final payment for a covered commodity for a crop year shall be equal to the difference between—

[(i) the actual counter-cyclical payment to be made to the producers for the covered commodity for that crop year; and

[(ii) the amount of the partial payment made to the producers under subparagraph (A).

[(5) REPAYMENT.—The producers on a farm that receive a partial payment under this subsection for a crop year shall repay to the Secretary the amount, if any, by which the total of the partial payments exceed the actual counter-cyclical payment to be made for the covered commodity for that crop year.

[SEC. 1105. AVERAGE CROP REVENUE ELECTION PROGRAM.

[(a) AVAILABILITY AND ELECTION OF ALTERNATIVE APPROACH.—

[(1) AVAILABILITY OF AVERAGE CROP REVENUE ELECTION PAYMENTS.—As an alternative to receiving counter-cyclical payments under section 1104 or 1304 and in exchange for a 20-percent reduction in direct payments under section 1103 or 1303 and a 30-percent reduction in marketing assistance loan rates under section 1202 or 1307, with respect to all covered commodities and peanuts on a farm, during each of the 2009, 2010, 2011, and 2012 crop years, the Secretary shall give the producers on the farm an opportunity to make an irrevocable election to instead receive average crop revenue election (referred to in this section as "ACRE") payments under this section for the initial crop year for which the election is made through the 2012 crop year.

[(2) LIMITATION.—

[(A) IN GENERAL.—The total number of planted acres for which the producers on a farm may receive ACRE payments under this section may not exceed the total base acreage for all covered commodities and peanuts on the farm.

[(B) ELECTION.—If the total number of planted acres to all covered commodities and peanuts of the producers on

a farm exceeds the total base acreage of the farm, the producers on the farm may choose which planted acres to enroll in the program under this section.

[(3) ELECTION; TIME FOR ELECTION.—

[(A) IN GENERAL.—The Secretary shall provide notice to producers regarding the opportunity to make each of the elections described in paragraph (1).

[(B) NOTICE REQUIREMENTS.—The notice shall include—

[(i) notice of the opportunity of the producers on a farm to make the election; and

[(ii) information regarding the manner in which the election must be made and the time periods and manner in which notice of the election must be submitted to the Secretary.

[(4) ELECTION DEADLINE.—Within the time period and in the manner prescribed pursuant to paragraph (3), all of the producers on a farm shall submit to the Secretary notice of an election made under paragraph (1).

[(5) EFFECT OF FAILURE TO MAKE ELECTION.—If all of the producers on a farm fail to make an election under paragraph (1), make different elections under paragraph (1), or fail to timely notify the Secretary of the election made, as required by paragraph (4), all of the producers on the farm shall be deemed to have made the election to receive counter-cyclical payments under section 1104 or 1304 for all covered commodities and peanuts on the farm, and to otherwise not have made the election described in paragraph (1), for the applicable crop years.

[(b) PAYMENTS REQUIRED.—

[(1) IN GENERAL.—In the case of producers on a farm who make an election under subsection (a) to receive ACRE payments for any of the 2009 through 2012 crop years for all covered commodities and peanuts, the Secretary shall make ACRE payments available to the producers on a farm in accordance with this subsection.

[(2) ACRE PAYMENT.—

[(A) IN GENERAL.—Subject to paragraph (3), in the case of producers on a farm described in paragraph (1), the Secretary shall make ACRE payments available to the producers on a farm for each crop year if—

[(i) the actual State revenue for the crop year for the covered commodity or peanuts in the State determined under subsection (c); is less than

[(ii) the ACRE program guarantee for the crop year for the covered commodity or peanuts in the State determined under subsection (d).

[(B) INDIVIDUAL LOSS.—The Secretary shall make ACRE payments available to the producers on a farm in a State for a crop year only if (as determined by the Secretary)—

[(i) the actual farm revenue for the crop year for the covered commodity or peanuts, as determined under subsection (e); is less than

[(ii) the farm ACRE benchmark revenue for the crop year for the covered commodity or peanuts, as determined under subsection (f).

[(3) TIME FOR PAYMENTS.—In the case of each of the 2009 through 2012 crop years, the Secretary shall make ACRE payments beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity or peanuts.

[(c) ACTUAL STATE REVENUE.—

[(1) IN GENERAL.—For purposes of subsection (b)(2)(A), the amount of the actual State revenue for a crop year of a covered commodity or peanuts shall equal the product obtained by multiplying—

[(A) the actual State yield for each planted acre for the crop year for the covered commodity or peanuts determined under paragraph (2); and

[(B) the national average market price for the crop year for the covered commodity or peanuts determined under paragraph (3).

[(2) ACTUAL STATE YIELD.—For purposes of paragraph (1)(A), the actual State yield for each planted acre for a crop year for a covered commodity or peanuts in a State shall equal (as determined by the Secretary)—

[(A) the quantity of the covered commodity or peanuts that is produced in the State during the crop year; divided by

[(B) the number of acres that are planted to the covered commodity or peanuts in the State during the crop year.

[(3) NATIONAL AVERAGE MARKET PRICE.—For purposes of paragraph (1)(B), the national average market price for a crop year for a covered commodity or peanuts in a State shall equal the greater of—

[(A) the national average market price received by producers during the 12-month marketing year for the covered commodity or peanuts, as determined by the Secretary; or

[(B) the marketing assistance loan rate for the covered commodity or peanuts under section 1202 or 1307, as reduced under subsection (a)(1).

[(d) ACRE PROGRAM GUARANTEE.—

[(1) AMOUNT.—

[(A) IN GENERAL.—For purposes of subsection (b)(2)(A) and subject to subparagraph (B), the ACRE program guarantee for a crop year for a covered commodity or peanuts in a State shall equal 90 percent of the product obtained by multiplying—

[(i) the benchmark State yield for each planted acre for the crop year for the covered commodity or peanuts in a State determined under paragraph (2); and

[(ii) the ACRE program guarantee price for the crop year for the covered commodity or peanuts determined under paragraph (3).

[(B) MINIMUM AND MAXIMUM GUARANTEE.—In the case of each of the 2010 through 2012 crop years, the ACRE program guarantee for a crop year for a covered commodity or peanuts under subparagraph (A) shall not decrease or increase more than 10 percent from the guarantee for the preceding crop year.

[(2) BENCHMARK STATE YIELD.—

[(A) IN GENERAL.—For purposes of paragraph (1)(A)(i), subject to subparagraph (B), the benchmark State yield for each planted acre for a crop year for a covered commodity or peanuts in a State shall equal the average yield per planted acre for the covered commodity or peanuts in the State for the most recent 5 crop year yields, excluding each of the crop years with the highest and lowest yields, using National Agricultural Statistics Service data.

[(B) ASSIGNED YIELD.—If the Secretary cannot establish the benchmark State yield for each planted acre for a crop year for a covered commodity or peanuts in a State in accordance with subparagraph (A) or if the yield determined under subparagraph (A) is an unrepresentative average yield for the State (as determined by the Secretary), the Secretary shall assign a benchmark State yield for each planted acre for the crop year for the covered commodity or peanuts in the State on the basis of—

[(i) previous average yields for a period of 5 crop years, excluding each of the crop years with the highest and lowest yields; or

[(ii) benchmark State yields for planted acres for the crop year for the covered commodity or peanuts in similar States.

[(3) ACRE PROGRAM GUARANTEE PRICE.—For purposes of paragraph (1)(A)(ii), the ACRE program guarantee price for a crop year for a covered commodity or peanuts in a State shall be the simple average of the national average market price received by producers of the covered commodity or peanuts for the most recent 2 crop years, as determined by the Secretary.

[(4) STATES WITH IRRIGATED AND NONIRRIGATED LAND.—In the case of a State in which at least 25 percent of the acreage planted to a covered commodity or peanuts in the State is irrigated and at least 25 percent of the acreage planted to the covered commodity or peanuts in the State is not irrigated, the Secretary shall calculate a separate ACRE program guarantee for the irrigated and nonirrigated areas of the State for the covered commodity or peanuts.

[(e) ACTUAL FARM REVENUE.—For purposes of subsection (b)(2)(B)(i), the amount of the actual farm revenue for a crop year for a covered commodity or peanuts shall equal the amount determined by multiplying—

[(1) the actual yield for the covered commodity or peanuts of the producers on the farm; and

[(2) the national average market price for the crop year for the covered commodity or peanuts determined under subsection (c)(3).

[(f) FARM ACRE BENCHMARK REVENUE.—For purposes of subsection (b)(2)(B)(ii), the farm ACRE benchmark revenue for the crop year for a covered commodity or peanuts shall equal the sum obtained by adding—

[(1) the amount determined by multiplying—

[(A) the average yield per planted acre for the covered commodity or peanuts of the producers on the farm for the

most recent 5 crop years, excluding each of the crop years with the highest and lowest yields; and

[(B) the ACRE program guarantee price for the applicable crop year for the covered commodity or peanuts in a State determined under subsection (d)(3); and

[(2) the amount of the per acre crop insurance premium required to be paid by the producers on the farm for the applicable crop year for the covered commodity or peanuts on the farm.

[(g) PAYMENT AMOUNT.—If ACRE payments are required to be paid for any of the 2009 through 2012 crop years of a covered commodity or peanuts under this section, the amount of the ACRE payment to be paid to the producers on the farm for the crop year under this section shall be equal to the product obtained by multiplying—

[(1) the lesser of—

[(A) the difference between—

[(i) the ACRE program guarantee for the crop year for the covered commodity or peanuts in the State determined under subsection (d); and

[(ii) the actual State revenue from the crop year for the covered commodity or peanuts in the State determined under subsection (c); and

[(B) 25 percent of the ACRE program guarantee for the crop year for the covered commodity or peanuts in the State determined under subsection (d);

[(2)(A) for each of the 2009 through 2011 crop years, 83.3 percent of the acreage planted or considered planted to the covered commodity or peanuts for harvest on the farm in the crop year; and

[(B) for the 2012 crop year, 85 percent of the acreage planted or considered planted to the covered commodity or peanuts for harvest on the farm in the crop year; and

[(3) the quotient obtained by dividing—

[(A) the average yield per planted acre for the covered commodity or peanuts of the producers on the farm for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields; by

[(B) the benchmark State yield for the crop year, as determined under subsection (d)(2).]

* * * * * * *

Subtitle C—Peanuts

* * * * * * *

[SEC. 1303. AVAILABILITY OF DIRECT PAYMENTS FOR PEANUTS.

[(a) PAYMENT REQUIRED.—For each of the 2008 through 2012 crop years for peanuts, the Secretary shall make direct payments to the producers on a farm for which a payment yield and base acres for peanuts are established.

[(b) PAYMENT RATE.—Except as provided in section 1105, the payment rate used to make direct payments with respect to peanuts for a crop year shall be equal to $36 per ton.

[(c) PAYMENT AMOUNT.—The amount of the direct payment to be paid to the producers on a farm for peanuts for a crop year shall be equal to the product of the following:

[(1) The payment rate specified in subsection (b).

[(2) The payment acres on the farm.

[(3) The payment yield for the farm.

[(d) TIME FOR PAYMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), in the case of each of the 2008 through 2012 crop years, the Secretary may not make direct payments under this section before October 1 of the calendar year in which the crop is harvested.

[(2) ADVANCE PAYMENTS.—

[(A) OPTION.—

[(i) IN GENERAL.—At the option of the producers on a farm, the Secretary shall pay in advance up to 22 percent of the direct payment for peanuts for any of the 2008 through 2011 crop years to the producers on a farm.

[(ii) 2008 CROP YEAR.—If the producers on a farm elect to receive advance direct payments under clause (i) for peanuts for the 2008 crop year, as soon as practicable after the election, the Secretary shall make the advance direct payment to the producers on the farm.

[(B) MONTH.—

[(i) SELECTION.—Subject to clauses (ii) and (iii), the producers on a farm shall select the month during which the advance payment for a crop year will be made.

[(ii) OPTIONS.—The month selected may be any month during the period—

[(I) beginning on December 1 of the calendar year before the calendar year in which the crop of peanuts is harvested; and

[(II) ending during the month within which the direct payment would otherwise be made.

[(iii) CHANGE.—The producers on a farm may change the selected month for a subsequent advance payment by providing advance notice to the Secretary.

[(3) REPAYMENT OF ADVANCE PAYMENTS.—If a producer on a farm that receives an advance direct payment for a crop year ceases to be a producer on that farm, or the extent to which the producer shares in the risk of producing a crop changes, before the date the remainder of the direct payment is made, the producer shall be responsible for repaying the Secretary the applicable amount of the advance payment, as determined by the Secretary.

[SEC. 1304. AVAILABILITY OF COUNTER-CYCLICAL PAYMENTS FOR PEANUTS.

[(a) PAYMENT REQUIRED.—Except as provided in section 1105, for each of the 2008 through 2012 crop years for peanuts, the Secretary shall make counter-cyclical payments to producers on farms for which payment yields and base acres for peanuts are established if the Secretary determines that the effective price for peanuts is less than the target price for peanuts.

[(b) EFFECTIVE PRICE.—For purposes of subsection (a), the effective price for peanuts is equal to the sum of the following:

[(1) The higher of the following:

[(A) The national average market price for peanuts received by producers during the 12-month marketing year for peanuts, as determined by the Secretary.

[(B) The national average loan rate for a marketing assistance loan for peanuts in effect for the applicable period under this subtitle.

[(2) The payment rate in effect for peanuts under section 1303 for the purpose of making direct payments.

[(c) TARGET PRICE.—For purposes of subsection (a), the target price for peanuts shall be equal to $495 per ton.

[(d) PAYMENT RATE.—The payment rate used to make counter-cyclical payments for a crop year shall be equal to the difference between—

[(1) the target price for peanuts; and

[(2) the effective price determined under subsection (b) for peanuts.

[(e) PAYMENT AMOUNT.—If counter-cyclical payments are required to be paid for any of the 2008 through 2012 crops of peanuts, the amount of the counter-cyclical payment to be paid to the producers on a farm for that crop year shall be equal to the product of the following:

[(1) The payment rate specified in subsection (d).

[(2) The payment acres on the farm.

[(3) The payment yield for the farm.

[(f) TIME FOR PAYMENTS.—

[(1) GENERAL RULE.—Except as provided in paragraph (2), if the Secretary determines under subsection (a) that counter-cyclical payments are required to be made under this section for a crop of peanuts, beginning October 1, or as soon as practicable after the end of the marketing year, the Secretary shall make the counter-cyclical payments for the crop.

[(2) AVAILABILITY OF PARTIAL PAYMENTS.—

[(A) IN GENERAL.—If, before the end of the 12-month marketing year, the Secretary estimates that counter-cyclical payments will be required under this section for a crop year, the Secretary shall give producers on a farm the option to receive partial payments of the counter-cyclical payment projected to be made for the crop.

[(B) ELECTION.—

[(i) IN GENERAL.—The Secretary shall allow producers on a farm to make an election to receive partial payments under subparagraph (A) at any time but not later than 60 days prior to the end of the marketing year for the crop.

[(ii) DATE OF ISSUANCE.—The Secretary shall issue the partial payment after the date of an announcement by the Secretary but not later than 30 days prior to the end of the marketing year.

[(3) TIME FOR PARTIAL PAYMENTS.—When the Secretary makes partial payments for any of the 2008 through 2010 crop years—

[(A) the first partial payment shall be made after completion of the first 180 days of the marketing year for that crop; and

[(B) the final partial payment shall be made beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for that crop.

[(4) AMOUNT OF PARTIAL PAYMENTS.—

[(A) FIRST PARTIAL PAYMENT.—For each of the 2008 through 2010 crop years, the first partial payment under paragraph (3) to the producers on a farm may not exceed 40 percent of the projected counter-cyclical payment for the crop year, as determined by the Secretary.

[(B) FINAL PAYMENT.—The final payment for a crop year shall be equal to the difference between—

[(i) the actual counter-cyclical payment to be made to the producers for that crop year; and

[(ii) the amount of the partial payment made to the producers under subparagraph (A).

[(5) REPAYMENT.—The producers on a farm that receive a partial payment under this subsection for a crop year shall repay to the Secretary the amount, if any, by which the total of the partial payments exceed the actual counter-cyclical payment to be made for that crop year.]

* * * * * * *

Subtitle E—Dairy

[SEC. 1501. DAIRY PRODUCT PRICE SUPPORT PROGRAM.

[(a) DEFINITION OF NET REMOVALS.—In this section, the term "net removals" means—

[(1) the sum of—

[(A) the quantity of a product described in subsection (b) purchased by the Commodity Credit Corporation under this section; and

[(B) the quantity of the product exported under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14); less

[(2) the quantity of the product sold for unrestricted use by the Commodity Credit Corporation.

[(b) SUPPORT ACTIVITIES.—During the period beginning on January 1, 2008, and ending December 31, 2012, the Secretary shall support the price of cheddar cheese, butter, and nonfat dry milk through the purchase of such products made from milk produced in the United States.

[(c) PURCHASE PRICE.—To carry out subsection (b) during the period specified in that subsection, the Secretary shall purchase—

[(1) cheddar cheese in blocks at not less than $1.13 per pound;

[(2) cheddar cheese in barrels at not less than $1.10 per pound;

[(3) butter at not less than $1.05 per pound; and

[(4) nonfat dry milk at not less than $0.80 per pound.

[(d) TEMPORARY PRICE ADJUSTMENT TO AVOID EXCESS INVENTORIES.—

[(1) ADJUSTMENTS AUTHORIZED.—The Secretary may adjust the minimum purchase prices established under subsection (c) only as permitted under this subsection.

[(2) CHEESE INVENTORIES IN EXCESS OF 200,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 200,000,000 pounds of cheese, but do not exceed 400,000,000 pounds, the Secretary may reduce the purchase prices under paragraphs (1) and (2) of subsection (c) during the immediately following month by not more than 10 cents per pound.

[(3) CHEESE INVENTORIES IN EXCESS OF 400,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 400,000,000 pounds of cheese, the Secretary may reduce the purchase prices under paragraphs (1) and (2) of subsection (c) during the immediately following month by not more than 20 cents per pound.

[(4) BUTTER INVENTORIES IN EXCESS OF 450,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 450,000,000 pounds of butter, but do not exceed 650,000,000 pounds, the Secretary may reduce the purchase price under subsection (c)(3) during the immediately following month by not more than 10 cents per pound.

[(5) BUTTER INVENTORIES IN EXCESS OF 650,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 650,000,000 pounds of butter, the Secretary may reduce the purchase price under subsection (c)(3) during the immediately following month by not more than 20 cents per pound.

[(6) NONFAT DRY MILK INVENTORIES IN EXCESS OF 600,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 600,000,000 pounds of nonfat dry milk, but do not exceed 800,000,000 pounds, the Secretary may reduce the purchase price under subsection (c)(4) during the immediately following month by not more than 5 cents per pound.

[(7) NONFAT DRY MILK INVENTORIES IN EXCESS OF 800,000,000 POUNDS.—If net removals for a period of 12 consecutive months exceed 800,000,000 pounds of nonfat dry milk, the Secretary may reduce the purchase price under subsection (c)(4) during the immediately following month by not more than 10 cents per pound.

[(e) UNIFORM PURCHASE PRICE.—The prices that the Secretary pays for cheese, butter, or nonfat dry milk, respectively, under subsection (b) shall be uniform for all regions of the United States.

[(f) SALES FROM INVENTORIES.—In the case of each commodity specified in subsection (c) that is available for unrestricted use in the inventory of the Commodity Credit Corporation, the Secretary may sell the commodity at the market prices prevailing for that commodity at the time of sale, except that the sale price may not be less than 110 percent of the minimum purchase price specified in subsection (c) for that commodity.]

SEC. 1502. DAIRY FORWARD PRICING PROGRAM.

(a) * * *

* * * * * * *

(e) DURATION.—

(1) NEW CONTRACTS.—No forward price contract may be entered into under the program established under this section after September 30, [2012] *2017*.

(2) APPLICATION.—No forward contract entered into under the program may extend beyond September 30, [2015] *2020*.

* * * * * * *

[SEC. 1506. MILK INCOME LOSS CONTRACT PROGRAM.

[(a) DEFINITIONS.—In this section:

[(1) CLASS I MILK.—The term "Class I milk" means milk (including milk components) classified as Class I milk under a Federal milk marketing order.

[(2) ELIGIBLE PRODUCTION.—The term "eligible production" means milk produced by a producer in a participating State.

[(3) FEDERAL MILK MARKETING ORDER.—The term "Federal milk marketing order" means an order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

[(4) PARTICIPATING STATE.—The term "participating State" means each State.

[(5) PRODUCER.—The term "producer" means an individual or entity that directly or indirectly (as determined by the Secretary)—

[(A) shares in the risk of producing milk; and

[(B) makes contributions (including land, labor, management, equipment, or capital) to the dairy farming operation of the individual or entity that are at least commensurate with the share of the individual or entity of the proceeds of the operation.

[(b) PAYMENTS.—The Secretary shall offer to enter into contracts with producers on a dairy farm located in a participating State under which the producers receive payments on eligible production.

[(c) AMOUNT.—Payments to a producer under this section shall be calculated by multiplying (as determined by the Secretary)—

[(1) the payment quantity for the producer during the applicable month established under subsection (e);

[(2) the amount equal to—

[(A) $16.94 per hundredweight, as adjusted under subsection (d); less

[(B) the Class I milk price per hundredweight in Boston under the applicable Federal milk marketing order; by

[(3)(A) for the period beginning October 1, 2007, and ending September 30, 2008, 34 percent;

[(B) for the period beginning October 1, 2008, and ending August 31, 2012, 45 percent; and

[(C) for the period beginning September 1, 2012, and thereafter, 34 percent.

[(d) PAYMENT RATE ADJUSTMENT FOR FEED PRICES.—

[(1) INITIAL ADJUSTMENT AUTHORITY.—During the period beginning on January 1, 2008, and ending on August 31, 2012, if the National Average Dairy Feed Ration Cost for a month during that period is greater than $7.35 per hundredweight, the amount specified in subsection (c)(2)(A) used to determine the payment rate for that month shall be increased by 45 per-

cent of the percentage by which the National Average Dairy Feed Ration Cost exceeds $7.35 per hundredweight.

[(2) SUBSEQUENT ADJUSTMENT AUTHORITY.—For any month beginning on or after September 1, 2012, if the National Average Dairy Feed Ration Cost for the month is greater than $9.50 per hundredweight, the amount specified in subsection (c)(2)(A) used to determine the payment rate for that month shall be increased by 45 percent of the percentage by which the National Average Dairy Feed Ration Cost exceeds $9.50 per hundredweight.

[(3) NATIONAL AVERAGE DAIRY FEED RATION COST.—For each month, the Secretary shall calculate a National Average Dairy Feed Ration Cost per hundredweight using the same procedures (adjusted to a hundredweight basis) used to calculate the feed components of the estimated price of 16% Mixed Dairy Feed per pound noted on page 33 of the USDA March 2008 Agricultural Prices publication (including the data and factors noted in footnote 4).

[(e) PAYMENT QUANTITY.—

[(1) IN GENERAL.—Subject to paragraph (2), the payment quantity for a producer during the applicable month under this section shall be equal to the quantity of eligible production marketed by the producer during the month.

[(2) LIMITATION.—

[(A) IN GENERAL.—The payment quantity for all producers on a single dairy operation for which the producers receive payments under subsection (b) shall not exceed—

[(i) for the period beginning October 1, 2007, and ending September 30, 2008, 2,400,000 pounds;

[(ii) for the period beginning October 1, 2008, and ending August 31, 2012, 2,985,000 pounds for each fiscal year; and

[(iii) effective beginning September 1, 2012, 2,400,000 pounds per fiscal year.

[(B) STANDARDS.—For purposes of determining whether producers are producers on separate dairy operations or a single dairy operation, the Secretary shall apply the same standards as were applied in implementing the dairy program under section 805 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106–387; 114 Stat. 1549A–50).

[(3) RECONSTITUTION.—The Secretary shall ensure that a producer does not reconstitute a dairy operation for the sole purpose of receiving additional payments under this section.

[(f) PAYMENTS.—A payment under a contract under this section shall be made on a monthly basis not later than 60 days after the last day of the month for which the payment is made.

[(g) SIGNUP.—The Secretary shall offer to enter into contracts under this section during the period beginning on the date that is 90 days after the date of enactment of this Act and ending on September 30, 2012.

[(h) DURATION OF CONTRACT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), any contract entered into by producers on a dairy farm under this

section shall cover eligible production marketed by the producers on the dairy farm during the period starting with the first day of month the producers on the dairy farm enter into the contract and ending on September 30, 2012.

[(2) VIOLATIONS.—If a producer violates the contract, the Secretary may—

[(A) terminate the contract and allow the producer to retain any payments received under the contract; or

[(B) allow the contract to remain in effect and require the producer to repay a portion of the payments received under the contract based on the severity of the violation.]

* * * * * * *

[SEC. 1509. FEDERAL MILK MARKETING ORDER REVIEW COMMISSION.

[(a) ESTABLISHMENT.—Subject to the availability of appropriations to carry out this section, the Secretary shall establish a commission to be known as the "Federal Milk Marketing Order Review Commission" (referred to in this section as the "commission"), which shall conduct a comprehensive review and evaluation of—

[(1) the Federal milk marketing order system in effect on the date of establishment of the commission; and

[(2) non-Federal milk marketing order systems.

[(b) ELEMENTS OF REVIEW AND EVALUATION.—As part of the review and evaluation under subsection (a), the commission shall consider legislative and regulatory options for—

[(1) ensuring that the competitiveness of dairy products with other competing products in the marketplace is preserved and enhanced;

[(2) enhancing the competitiveness of American dairy producers in world markets;

[(3) ensuring the competitiveness and transparency in dairy pricing;

[(4) streamlining and expediting the process by which amendments to Federal milk market orders are adopted;

[(5) simplifying the Federal milk marketing order system;

[(6) evaluating whether the Federal milk marketing order system serves the interests of dairy producers, consumers, and dairy processors; and

[(7) evaluating the nutritional composition of milk, including the potential benefits and costs of adjusting the milk content standards.

[(c) MEMBERSHIP.—

[(1) COMPOSITION.—The commission shall consist of 14 members.

[(2) MEMBERS.—As soon as practicable after the date on which funds are first made available to carry out this section, the Secretary shall appoint members to the commission according to the following requirements:

[(A) At least 1 member shall represent a national consumer organization.

[(B) At least 4 members shall represent land-grant universities or NLGCA Institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) with ac-

credited dairy economic programs, with at least 2 of those members being experts in the field of economics.

[(C) At least 1 member shall represent the food and beverage retail sector.

[(D) 4 dairy producers and 4 dairy processors, appointed so as to balance geographical distribution of milk production and dairy processing, reflect all segments of dairy processing, and represent all regions of the United States equitably, including States that operate outside of a Federal milk marketing order.

[(3) CHAIR.—The commission shall elect 1 of the appointed members of the commission to serve as chairperson for the duration of the proceedings of the commission.

[(4) VACANCY.—Any vacancy occurring before the termination of the commission shall be filled in the same manner as the original appointment.

[(5) COMPENSATION.—Members of the commission shall serve without compensation, but shall be reimbursed by the Secretary from existing budget authority for necessary and reasonable expenses incurred in the performance of the duties of the commission.

[(d) REPORT.—

[(1) IN GENERAL.—Not later than 2 years after the date of the first meeting of the commission, the commission shall submit to Congress and the Secretary a report describing the results of the review and evaluation conducted under this section, including such recommendations regarding the legislative and regulatory options considered under subsection (b) as the commission considers to be appropriate.

[(2) OPINIONS.—The report findings shall reflect, to the maximum extent practicable, a consensus opinion of the commission members, but the report may include majority and minority findings regarding those matters for which consensus was not reached.

[(e) ADVISORY NATURE.—The commission is wholly advisory in nature, and the recommendations of the commission are nonbinding.

[(f) NO EFFECT ON EXISTING PROGRAMS.—The Secretary shall not allow the existence of the commission to impede, delay, or otherwise affect any decisionmaking process of the Department of Agriculture, including any rulemaking procedures planned, proposed, or near completion.

[(g) ADMINISTRATIVE ASSISTANCE.—The Secretary shall provide administrative support to the commission, and expend to carry out this section such funds as necessary from budget authority available to the Secretary.

[(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

[(i) TERMINATION.—The commission shall terminate effective on the date of the submission of the report under subsection (d).]

* * * * * * *

Subtitle F—Administration

* * * * * * *

SEC. 1603. PAYMENT LIMITATIONS.

(a) * * *

* * * * * * *

(g) CONFORMING AMENDMENTS.—

(1) * * *

(2) Section 609(b)(1) of the Emergency Livestock Feed Assistance Act of 1988 (7 U.S.C. 1471g(b)(1)) is amended by inserting "(before the amendment made by section [1703(a)] *1603(a)* of the Food, Conservation, and Energy Act of 2008)" after "1985".

(3) Section 524(b)(3) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(3)) is amended by inserting "(before the amendment made by section [1703(a)] *1603(a)* of the Food, Conservation, and Energy Act of 2008)" after "1308(5)))".

(4) Section 10204(c)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8204(c)(1)) is amended by inserting "(before the amendment made by section [1703(a)] *1603(a)* of the Food, Conservation, and Energy Act of 2008)" after "1308)".

(5) Section 1271(c)(3)(A) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 2106a(c)(3)(A)) is amended by inserting "(before the amendment made by section [1703(a)] *1603(a)* of the Food, Conservation, and Energy Act of 2008)" after "1308)".

(6) Section 291(2) of the Trade Act of 1974 (19 U.S.C. 2401(2)) is amended by inserting "(before the amendment made by section [1703(a)] *1603(a)* of the Food, Conservation, and Energy Act of 2008)" before the period at the end.

* * * * * * *

SEC. 1621. GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2009 through [2012] *2017*.

* * * * * * *

Subtitle J—Miscellaneous Conservation Provisions

SEC. 2901. HIGH PLAINS WATER STUDY.

Notwithstanding any other provision of this Act, no person shall become ineligible for any program benefits under [this Act or an amendment made by this Act] *this Act, an amendment made by this Act, the Federal Agriculture Reform and Risk Management Act of 2012, or an amendment made by the Federal Agriculture Reform and Risk Management Act of 2012* solely as a result of partici-

pating in a 1-time study of recharge potential for the Ogallala Aquifer in the High Plains of the State of Texas.

* * * * * * *

TITLE III—TRADE

* * * * * * *

Subtitle C—Miscellaneous

* * * * * * *

SEC. 3202. GLOBAL CROP DIVERSITY TRUST.

(a) * * *

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this [section $60,000,000 for the period of fiscal years 2008 through 2012.] *section—*

(1) $60,000,000 for the period of fiscal years 2008 through 2012; and

(2) $50,000,000 for the period of fiscal years 2013 through 2017.

* * * * * * *

TITLE IV—NUTRITION

Subtitle A—Food Stamp Program

* * * * * * *

PART III—PROGRAM OPERATIONS

* * * * * * *

SEC. 4115. ISSUANCE AND USE OF PROGRAM BENEFITS.

(a) * * *

* * * * * * *

(c) CONFORMING CROSS-REFERENCES.—

(1) * * *

(2) DEFINITION REFERENCES.—

(A) * * *

* * * * * * *

(H) Section [531] *454* of the Social Security Act (42 U.S.C. 654) is amended by striking "section 3(h)" each place it appears and inserting "section 3(l)".

* * * * * * *

TITLE VII—RESEARCH AND RELATED MATTERS

* * * * * * *

Subtitle D—Other Laws

* * * * * * *

SEC. 7408. EXCHANGE OR SALE AUTHORITY.

[Title III of the Department of Agriculture Reorganization Act of 1994] *Title III of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994* (Public Law 103–354; 108 Stat. 3238) is amended by adding at the end the following:

"SEC. 307. EXCHANGE OR SALE AUTHORITY.

"(a) DEFINITION OF QUALIFIED ITEM OF PERSONAL PROPERTY.—In this section, the term 'qualified item of personal property' means—

"(1) * * *

* * * * * * *

SEC. 7409. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.

[Title III of the Department of Agriculture Reorganization Act of 1994] *Title III of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994* (Public Law 103–354; 108 Stat. 3238) (as amended by section 7408) is amended by adding at the end the following:

"SEC. 308. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.

"(a) * * *

* * * * * * *

Subtitle E—Miscellaneous

PART I—GENERAL PROVISIONS

* * * * * * *

SEC. 7502. GRAZINGLANDS RESEARCH LABORATORY.

Except as otherwise specifically authorized by law and notwithstanding any other provision of law, the Federal land and facilities at El Reno, Oklahoma, administered by the Secretary (as of the date of enactment of this Act) as the Grazinglands Research Laboratory, shall not at any time, in whole or in part, be declared to be excess or surplus Federal property under chapter 5 of subtitle I of title 40, United States Code, or otherwise be conveyed or transferred in whole or in part, for the [5-year] *9-year* period beginning on the date of enactment of this Act.

* * * * * * *

SEC. 7506. BUDGET SUBMISSION AND FUNDING.

[(a) DEFINITION OF COMPETITIVE PROGRAMS.—In this section, the term "competitive programs" includes only competitive programs for which annual appropriations are requested in the annual budget submission of the President.]

(a) DEFINITIONS.—In this section:

(1) COVERED PROGRAM.—The term "covered program" means—

(A) each research program carried out by the Agricultural Research Service or the Economic Research Service for which annual appropriations are requested in the annual budget submission of the President; and

(B) each competitive program carried out by the National Institute of Food and Agriculture for which annual appropriations are requested in the annual budget submission of the President.

(2) REQUEST FOR AWARDS.—The term "request for awards" means a funding announcement published by the National Institute of Food and Agriculture that provides detailed information on funding opportunities at the Institute, including the purpose, eligibility, restriction, focus areas, evaluation criteria, regulatory information, and instructions on how to apply for such opportunities.

* * * * * * *

(e) ADDITIONAL PRESIDENTIAL BUDGET SUBMISSION REQUIREMENT.—

(1) IN GENERAL.—Each year, the President shall submit to Congress, together with the annual budget submission of the President, the information described in paragraph (2) for each funding request for a covered program.

(2) INFORMATION DESCRIBED.—The information described in this paragraph includes—

(A) baseline information, including with respect to each covered program—

(i) the funding level for the program for the fiscal year preceding the year the annual budget submission of the President is submitted;

(ii) the funding level requested in the annual budget submission of the President, including any increase or decrease in the funding level; and

(iii) an explanation justifying any change from the funding level specified in clause (i) to the level specified in clause (ii);

(B) with respect to each covered program that is carried out by the Economic Research Service or the Agricultural Research Service, the location and staff years of the program;

(C) the proposed funding levels to be allocated to, and the expected publication date, scope, and allocation level for, each request for awards to be published under or associated with—

(i) each priority area specified in section 2(b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(2));

(ii) each research and extension project carried out under section 1621(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5811(a));

(iii) each grant to be awarded under section 1672B(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b(a));

(iv) each grant awarded under section 412(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(d)); and

(v) each grant awarded under 7405(c)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(c)(1)); or

(D) any other information the Secretary determines will increase congressional oversight with respect to covered programs.

(3) PROHIBITION.—Unless the President submits the information described in paragraph (2)(C) for a fiscal year, the President may not carry out any program during the fiscal year that is authorized under—

(A) section 2(b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b));

(B) section 1621 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5811);

(C) section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b);

(D) section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632); or

(E) section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).

(f) REPORT OF THE SECRETARY OF AGRICULTURE.—Each year on a date that is not later than the date on which the President submits the annual budget, the Secretary shall submit to Congress a report containing a description of the agricultural research, extension, and education activities carried out by the Federal Government during the fiscal year that immediately precedes the year for which the report is submitted, including—

(1) a review of the extent to which those activities—

(A) are duplicative or overlap within the Department of Agriculture; or

(B) are similar to activities carried out by—

(i) other Federal agencies;

(ii) the States (including the District of Columbia, the Commonwealth of Puerto Rico and other territories or possessions of the United States);

(iii) institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)); or

(iv) the private sector; and

(2) for each report submitted under this section on or after January 1, 2013, a 5-year projection of national priorities with respect to agricultural research, extension, and education, taking into account domestic needs.

* * * * * * *

PART III—NEW GRANT AND RESEARCH PROGRAMS

[SEC. 7521. RESEARCH AND EDUCATION GRANTS FOR THE STUDY OF ANTIBIOTIC-RESISTANT BACTERIA.

[(a) IN GENERAL.—The Secretary shall provide research and education grants, on a competitive basis—

[(1) to study the development of antibiotic-resistant bacteria, including—

[(A) movement of antibiotic-resistant bacteria into groundwater and surface water; and

[(B) the effect on antibiotic resistance from various drug use regimens; and

[(2) to study and ensure the judicious use of antibiotics in veterinary and human medicine, including—

[(A) methods and practices of animal husbandry;

[(B) safe and effective alternatives to antibiotics;

[(C) the development of better veterinary diagnostics to improve decisionmaking; and

[(D) the identification of conditions or factors that affect antibiotic use on farms.

[(b) ADMINISTRATION.—Paragraphs (4), (7), (8), and (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.

[(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

[SEC. 7522. FARM AND RANCH STRESS ASSISTANCE NETWORK.

[(a) IN GENERAL.—The Secretary, in coordination with the Secretary of Health and Human Services, shall make competitive grants to support cooperative programs between State cooperative extension services and nonprofit organizations to establish a Farm and Ranch Stress Assistance Network that provides stress assistance programs to individuals who are engaged in farming, ranching, and other agriculture-related occupations.

[(b) ELIGIBLE PROGRAMS.—Grants awarded under subsection (a) may be used to initiate, expand, or sustain programs that provide professional agricultural behavioral health counseling and referral for other forms of assistance as necessary through—

[(1) farm telephone helplines and websites;

[(2) community education;

[(3) support groups;

[(4) outreach services and activities; and

[(5) home delivery of assistance, in a case in which a farm resident is homebound.

[(c) EXTENSION SERVICES.—Grants shall be awarded under this subsection directly to State cooperative extension services to enable the State cooperative extension services to enter into contracts, on a multiyear basis, with nonprofit, community-based, direct-service organizations to initiate, expand, or sustain cooperative programs described in subsections (a) and (b).

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

[SEC. 7523. SEED DISTRIBUTION.

[(a) IN GENERAL.—The Secretary shall make competitive grants to eligible entities to carry out a seed distribution program to administer and maintain the distribution of vegetable seeds donated by commercial seed companies.

[(b) PURPOSES.—The purposes of this program include—

[(1) the distribution of seeds donated by commercial seed companies free-of-charge to appropriate—

[(A) individuals;

[(B) groups;

[(C) institutions;

[(D) governmental and nongovernmental organizations; and

[(E) such other entities as the Secretary may designate;

[(2) distribution of seeds to underserved communities, such as communities that experience—

[(A) limited access to affordable fresh vegetables;

[(B) a high rate of hunger or food insecurity; or

[(C) severe or persistent poverty.

[(c) ADMINISTRATION.—Paragraphs (4), (7), (8), and (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.

[(d) SELECTION.—An eligible entity selected to receive a grant under subsection (a) shall have—

[(1) expertise regarding the distribution of vegetable seeds donated by commercial seed companies; and

[(2) the ability to achieve the purpose of the seed distribution program.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.]

* * * * * * *

SEC. 7525. NATURAL PRODUCTS RESEARCH PROGRAM.

(a) * * *

* * * * * * *

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2008 through 2012.]

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2013 through 2017.

SEC. 7526. SUN GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish and carry out a program to provide grants to the sun grant centers and subcenter specified in subsection (b)—

(1) * * *

* * * * * * *

(4) to enhance the efficiency of bioenergy and biomass research and development programs through improved coordination and collaboration among—

(A) the Department of Agriculture;

(B) [the Department of Energy] *other appropriate Federal agencies (as determined by the Secretary)*; and

* * * * * * *

(c) USE OF FUNDS.—

(1) COMPETITIVE GRANTS.—

(A) * * *

(B) ACTIVITIES.—Grants described in subparagraph (A) shall be used by the grant recipient to conduct, in a manner consistent with the purposes described in subsection (a), multi-institutional and [multistate—

[(i) research, extension, and education programs on technology development; and

[(ii) integrated research, extension, and education programs on technology implementation.] *integrated, multistate research, extension, and education programs on technology development and technology implementation.*

[(C) FUNDING ALLOCATION.—Of the amount of funds that is used to provide grants under subparagraph (A), the sun grant center or subcenter shall use—

[(i) not less than 30 percent of the funds to carry out the programs described in subparagraph (B)(i); and

[(ii) not less than 30 percent of the funds to carry out the programs described in subparagraph (B)(ii).]

[(D)] *(C)* ADMINISTRATION.—

(i) * * *

* * * * * * *

(d) PLAN FOR RESEARCH ACTIVITIES TO BE FUNDED.—

(1) IN GENERAL.—Subject to the availability of funds under subsection (g), and in cooperation with land-grant colleges and universities and private industry [in accordance with paragraph (2)], the sun grant centers and subcenter shall jointly develop and submit to the Secretary for approval a plan for addressing the bioenergy, biomass, and [gasification] *bioproducts* research priorities of the Department of Agriculture and [the Department of Energy] *other appropriate Federal agencies* at the State and regional levels.

[(2) GASIFICATION COORDINATION.—With respect to gasification research activity, the sun grant centers and subcenter shall coordinate planning with land-grant colleges and universities in their respective regions that have ongoing research activities in that area.]

[(3)] *(2)* FUNDING.—Funds described in subsection (c)(2) shall be available to carry out planning coordination under paragraph (1).

[(4)] *(3)* USE OF PLAN.—The sun grant centers and subcenter shall use the plan described in paragraph (1) in making grants under subsection (c)(1).

(f) ANNUAL REPORTS.—Not later than 90 days after the end of each fiscal year, a sun grant center or subcenter receiving a grant under this section shall submit to the Secretary a report that describes the policies, priorities, and operations of the program carried out by the center or subcenter during the fiscal year, including—

(1) the results of all peer and merit review procedures conducted pursuant to [subsection (c)(1)(D)(i)] *subsection (c)(1)(C)(i)*; and

* * * * * * *

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2008 through [2012] *2017*, of which not more than $4,000,000 for each fiscal year shall be made available to carry out subsection (e).

[SEC. 7527. STUDY AND REPORT ON FOOD DESERTS.

[(a) DEFINITION OF FOOD DESERT.—In this section, the term "food desert" means an area in the United States with limited access to affordable and nutritious food, particularly such an area composed of predominantly lower-income neighborhoods and communities.

[(b) STUDY AND REPORT.—The Secretary shall carry out a study of, and prepare a report on, food deserts.

[(c) CONTENTS.—The study and report shall—

[(1) assess the incidence and prevalence of food deserts;

[(2) identify—

[(A) characteristics and factors causing and influencing food deserts; and

[(B) the effect on local populations of limited access to affordable and nutritious food; and

[(3) provide recommendations for addressing the causes and effects of food deserts through measures that include—

[(A) community and economic development initiatives;

[(B) incentives for retail food market development, including supermarkets, small grocery stores, and farmers' markets; and

[(C) improvements to Federal food assistance and nutrition education programs.

[(d) COORDINATION WITH OTHER AGENCIES AND ORGANIZATIONS.—The Secretary shall conduct the study under this section in coordination and consultation with—

[(1) the Secretary of Health and Human Services;

[(2) the Administrator of the Small Business Administration;

[(3) the Institute of Medicine; and

[(4) representatives of appropriate businesses, academic institutions, and nonprofit and faith-based organizations.

[(e) SUBMISSION TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate the report prepared under this section, including the findings and recommendations described in subsection (c).

[(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000.]

* * * * * * *

[SEC. 7529. AGRICULTURAL AND RURAL TRANSPORTATION RESEARCH AND EDUCATION.

[(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Transportation, shall make competitive grants to institutions of higher education to carry out agricultural and rural transportation research and education activities.

[(b) ACTIVITIES.—Research and education grants made under this section shall be used to address rural transportation and logistics needs of agricultural producers and related rural businesses, including—

[(1) the transportation of biofuels; and

[(2) the export of agricultural products.

[(c) SELECTION CRITERIA.—

[(1) IN GENERAL.—The Secretary shall award grants under this section on the basis of the transportation research, education, and outreach expertise of the applicant, as determined by the Secretary.

[(2) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to institutions of higher education for use in coordinating research and education activities with other institutions of higher education with similar agricultural and rural transportation research and education programs.

[(d) DIVERSIFICATION OF RESEARCH.—The Secretary shall award grants under this section in areas that are regionally diverse and broadly representative of the diversity of agricultural production and related transportation needs in the rural areas of the United States.

[(e) MATCHING FUNDS REQUIREMENT.—The Secretary shall require each recipient of a grant under this section to provide, from non-Federal sources, in cash or in kind, 50 percent of the cost of carrying out activities under the grant.

[(f) GRANT REVIEW.—A grant shall be awarded under this section on a competitive, peer- and merit-reviewed basis in accordance with section 103(a) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(a)).

[(g) NO DUPLICATION.—In awarding grants under this section, the Secretary shall ensure that activities funded under this section do not duplicate the efforts of the University Transportation Centers described in sections 5505 and 5506 of title 49, United States Code.

[(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through 2012.]

* * * * * * *

TITLE VIII—FORESTRY

* * * * * * *

Subtitle E—Miscellaneous Provisions

* * * * * * *

[SEC. 8402. HISPANIC-SERVING INSTITUTION AGRICULTURAL LAND NATIONAL RESOURCES LEADERSHIP PROGRAM.

[(a) DEFINITION OF HISPANIC-SERVING INSTITUTION.—In this section, the term "Hispanic-serving institution" has the meaning given that term in section 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5)).

[(b) GRANT AUTHORITY.—The Secretary of Agriculture may make grants, on a competitive basis, to Hispanic-serving institutions for the purpose of establishing an undergraduate scholarship program to assist in the recruitment, retention, and training of Hispanics and other under-represented groups in forestry and related fields.

[(c) USE OF GRANT FUNDS.—Grants made under this section shall be used to recruit, retain, train, and develop professionals to work in forestry and related fields with Federal agencies, such as the Forest Service, State agencies, and private-sector entities.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for each of fiscal years 2008 through 2012 such sums as may be necessary to carry out this section.]

* * * * * * *

TITLE IX—ENERGY

* * * * * * *

[SEC. 9002. BIOFUELS INFRASTRUCTURE STUDY.

[(a) IN GENERAL.—The Secretary of Agriculture, the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation (referred to in this section as the "Secretaries"), shall jointly conduct a study that includes—

[(1) an assessment of the infrastructure needs for expanding the domestic production, transport, and distribution of biofuels given current and likely future market trends;

[(2) recommendations for infrastructure needs and development approaches, taking into account cost and other associated factors; and

[(3) a report that includes—

[(A) a summary of infrastructure needs;

[(B) an analysis of alternative development approaches to meeting the needs described in subparagraph (A), including cost, siting, and other regulatory issues; and

[(C) recommendations for specific infrastructure development actions to be taken.

[(b) SCOPE OF STUDY.—

[(1) IN GENERAL.—In conducting the study described in subsection (a), the Secretaries shall address—

[(A) current and likely future market trends for biofuels through calendar year 2025;

[(B) current and future availability of feedstocks;

[(C) water resource needs, including water requirements for biorefineries;

[(D) shipping and storage needs for biomass feedstock and biofuels, including the adequacy of rural roads; and

[(E) modes of transportation and delivery for biofuels (including shipment by rail, truck, pipeline or barge) and associated infrastructure issues.

[(2) CONSIDERATIONS.—In addressing the issues described in paragraph (1), the Secretaries shall consider—

[(A) the effects of increased tank truck, rail, and barge transport on existing infrastructure and safety;

[(B) the feasibility of shipping biofuels through pipelines in existence as the date of enactment of this Act;

[(C) the development of new biofuels pipelines, including siting, financing, timing, and other economic issues;

[(D) the implications of various biofuel blend levels on infrastructure needs;

[(E) the implications of various approaches to infrastructure development on resource use and conservation;

[(F) regional differences in biofuels infrastructure needs; and

[(G) other infrastructure issues, as determined by the Secretaries.

[(c) IMPLEMENTATION.—In carrying out this section, the Secretaries —

[(1) shall—

[(A) consult with individuals and entities with interest or expertise in the areas described in subsection (b);

[(B) to the extent available, use the information developed and results of the related studies authorized under sections 243 and 245 of the Energy Independence and Security Act of 2007 (Public Law 110–140; 121 Stat. 1540, 1546)); and

[(C) submit to Congress the report required under subsection (a)(3), including—

[(i) in the Senate—

[(I) the Committee on Agriculture, Nutrition, and Forestry;

[(II) the Committee on Commerce, Science, and Transportation;

[(III) the Committee on Energy and Natural Resources; and

[(IV) the Committee on Environment and Public Works; and

[(ii) in the House of Representatives—

[(I) the Committee on Agriculture;

[(II) the Committee on Energy and Commerce;

[(III) the Committee on Transportation and Infrastructure; and

[(IV) the Committee on Science and Technology; and

[(2) may issue a solicitation for a competition to select a contractor to support the Secretaries.

[SEC. 9003. RENEWABLE FERTILIZER STUDY.

[(a) IN GENERAL.—Not later than 1 year after the date of receipt of appropriations to carry out this section, the Secretary shall—

[(1) conduct a study to assess the current state of knowledge regarding the potential for the production of fertilizer from renewable energy sources in rural areas, including—

[(A) identification of the critical challenges to commercialization of rural production of nitrogen and phosphorus-based fertilizer from renewables;

[(B) the most promising processes and technologies for renewable fertilizer production;

[(C) the potential cost-competitiveness of renewable fertilizer; and

[(D) the potential impacts of renewable fertilizer on fossil fuel use and the environment; and

[(2) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the study.

[(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for fiscal year 2009.]

* * * * * * *

TITLE X—HORTICULTURE AND ORGANIC AGRICULTURE

* * * * * * *

Subtitle A—Horticulture Marketing and Information

* * * * * * *

SEC. 10105. FOOD SAFETY EDUCATION INITIATIVES.

(a) * * *

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $1,000,000 for each of fiscal years 2008 through [2012] *2017*, to remain available until expended.

* * * * * * *

SEC. 10107. SPECIALTY CROPS MARKET NEWS ALLOCATION.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other funds made available through annual appropriations for market news services, there is authorized to be appropriated to carry out this section $9,000,000 for each of fiscal years 2008 through [2012] *2017*, to remain available until expended.

* * * * * * *

Subtitle B—Pest and Disease Management

* * * * * * *

[SEC. 10202. NATIONAL CLEAN PLANT NETWORK.

[(a) IN GENERAL.—The Secretary shall establish a program to be known as the "National Clean Plant Network" (referred to in this section as the "Program").

[(b) REQUIREMENTS.—Under the Program, the Secretary shall establish a network of clean plant centers for diagnostic and pathogen elimination services to—

[(1) produce clean propagative plant material; and

[(2) maintain blocks of pathogen-tested plant material in sites located throughout the United States.

[(c) AVAILABILITY OF CLEAN PLANT SOURCE MATERIAL.—Clean plant source material may be made available to—

[(1) a State for a certified plant program of the State; and

[(2) private nurseries and producers.

[(d) CONSULTATION AND COLLABORATION.—In carrying out the Program, the Secretary shall—

[(1) consult with State departments of agriculture, land grant universities, and NLGCA Institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

[(2) to the extent practicable and with input from the appropriate State officials and industry representatives, use existing Federal or State facilities to serve as clean plant centers.

[(e) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out the Program $5,000,000 for each of fiscal years 2009 through 2012, to remain available until expended.]

* * * * * * *

Subtitle D—Miscellaneous

* * * * * * *

[SEC. 10403. GRANT PROGRAM TO IMPROVE MOVEMENT OF SPECIALTY CROPS.

[(a) GRANTS AUTHORIZED.—The Secretary may make grants under this section to an eligible entity described in subsection (b)—

[(1) to improve the cost-effective movement of specialty crops to local, regional, national, and international markets; and

[(2) to address regional intermodal transportation deficiencies that adversely affect the movement of specialty crops to markets inside or outside the United States.

[(b) ELIGIBLE GRANT RECIPIENTS.—Grants may be made under this section to any of, or any combination of:

[(1) State and local governments.

[(2) Grower cooperatives.

[(3) National, State, or regional organizations of producers, shippers, or carriers.

[(4) Other entities as determined to be appropriate by the Secretary.

[(c) MATCHING FUNDS.—The recipient of a grant under this section shall contribute an amount of non-Federal funds toward the project for which the grant is provided that is at least equal to the amount of grant funds received by the recipient under this section.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2008 through 2012.]

* * * * * * *

TITLE XI—LIVESTOCK

* * * * * * *

[SEC. 11006. REGULATIONS.

[As soon as practicable, but not later than 2 years after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations with respect to the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) to establish criteria that the Secretary will consider in determining—

[(1) whether an undue or unreasonable preference or advantage has occurred in violation of such Act;

[(2) whether a live poultry dealer has provided reasonable notice to poultry growers of any suspension of the delivery of birds under a poultry growing arrangement;

[(3) when a requirement of additional capital investments over the life of a poultry growing arrangement or swine production contract constitutes a violation of such Act; and

[(4) if a live poultry dealer or swine contractor has provided a reasonable period of time for a poultry grower or a swine production contract grower to remedy a breach of contract that could lead to termination of the poultry growing arrangement or swine production contract.]

* * * * * * *

SEC. 11013. NATIONAL AQUATIC ANIMAL HEALTH PLAN.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

TITLE XIV—MISCELLANEOUS

Subtitle A—Socially Disadvantaged Producers and Limited Resource Producers

* * * * * * *

CHAPTER 1—AGRICULTURAL SECURITY

* * * * * * *

SEC. 14112. AGRICULTURAL BIOSECURITY COMMUNICATION CENTER.

(a) * * *

* * * * * * *

[(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2008 through 2012.]

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

SEC. 14113. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPAREDNESS, AND RESPONSE.

(a) ADVANCED TRAINING PROGRAMS.—

(1) * * *

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary [such sums as may be necessary] to carry out this [subsection for each of fiscal years 2008 through 2012.] *subsection—*

(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) $15,000,000 for each of fiscal years 2013 through 2017.

(b) ASSESSMENT OF RESPONSE CAPABILITY.—

(1) * * *

(2) AUTHORIZATION OF APPROPRIATIONS.—There [is authorized to be appropriated to carry out this subsection $25,000,000 for each of fiscal years 2008 through 2012.] *are authorized to be appropriated to carry out this subsection—*

(1) $25,000,000 for each of fiscal years 2008 through 2012; and

(2) $15,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

CHAPTER 2—OTHER PROVISIONS

SEC. 14121. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There [is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2008 through 2012.] *are authorized to be appropriated to carry out this section—*

(1) $50,000,000 for each of fiscal years 2008 through 2012; and

(2) $15,000,000 for each of fiscal years 2013 through 2017.

SEC. 14122. AGRICULTURAL BIOSECURITY GRANT PROGRAM.

(a) * * *

* * * * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [sums as are necessary] to carry out this [section for each of fiscal years 2008 through 2012, to remain available until expended.] *section—*

(1) such sums as are necessary for each of fiscal years 2008 through 2012, to remain available until expended; and

(2) $5,000,000 for each of fiscal years 2013 through 2017, to remain available until expended.

* * * * * * *

Subtitle C—Other Miscellaneous Provisions

* * * * * * *

SEC. 14204. GRANTS TO IMPROVE SUPPLY, STABILITY, SAFETY, AND TRAINING OF AGRICULTURAL LABOR FORCE.

(a) * * *

* * * * * * *

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.]

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) $10,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 14212. PROHIBITION ON CLOSURE OR RELOCATION OF COUNTY OFFICES FOR THE FARM SERVICE AGENCY.

[(a) TEMPORARY PROHIBITION.—

[(1) IN GENERAL.—Subject to paragraph (2), until the date that is two years after the date of the enactment of this Act, the Secretary of Agriculture may not close or relocate a county or field office of the Farm Service Agency.

[(2) EXCEPTION.—Paragraph (1) shall not apply to—

[(A) an office that is located not more than 20 miles from another office of the Farm Service Agency; or

[(B) the relocation of an office within the same county in the course of routine leasing operations.]

(a) PROHIBITION ON CLOSURE OR RELOCATION OF OFFICES WITH HIGH WORKLOAD VOLUME.—The Secretary of Agriculture may not close or relocate a county or field office of the Farm Service Agency in a State if the Secretary determines, after conducting the evaluation required under subsection (b)(1)(B), that the office has a high workload volume compared with other county offices in the State.

(b) LIMITATION ON CLOSURE; NOTICE.—

(1) LIMITATION.—After the period referred to in subsection (a)(1), the Secretary shall, before closing any office of the Farm Service Agency that is located more than 20 miles from another office of [the Farm Service Agency, to the maximum extent practicable] *the Farm Service Agency—*

(A) to the maximum extent practicable, first close any offices of the Farm Service Agency that—

[(A)] *(i)* are located less than 20 miles from another office of the Farm Service Agency; and

[(B)] *(ii)* have two or fewer permanent full-time employees[.] *as of the date of the enactment of this Act; and*

(B) conduct and complete an evaluation of all workload assessments for Farm Service Agency county offices that were open and operational as of January 1, 2012, during the period that begins on a date that is not later than 180 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012 and ends on the date that is 18 months after such date of enactment.

* * * * * * *

FEDERAL AGRICULTURE IMPROVEMENT AND REFORM ACT OF 1996

* * * * * * *

TITLE I—AGRICULTURAL MARKET TRANSITION ACT

* * * * * * *

Subtitle D—Other Commodities

* * * * * * *

CHAPTER 2—SUGAR

* * * * * * *

SEC. 156. SUGAR PROGRAM.

(a) SUGARCANE.—The Secretary shall make loans available to processors of domestically grown sugarcane at a rate equal to—

(1) * * *

* * * * * * *

(5) 18.75 cents per pound for raw cane sugar for [the 2012 crop year] *each of the 2012 through 2017 crop years*.

(b) SUGAR BEETS.—The Secretary shall make loans available to processors of domestically grown sugar beets at a rate equal to—

(1) * * *

(2) a rate that is equal to 128.5 percent of the loan rate per pound of raw cane sugar for the applicable crop year under subsection (a) for each of the 2009 through [2012] *2017* crop years.

* * * * * * *

(i) EFFECTIVE PERIOD.—This section shall be effective only for the 2008 through [2012] *2017* crops of sugar beets and sugarcane.

Subtitle E—Administration

* * * * * * *

SEC. 164. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.

(a) IN GENERAL.—Except as provided in subsection (b), no producer shall be personally liable for any deficiency arising from the

sale of the collateral securing any nonrecourse loan made under this title title I of the Farm Security and Rural Investment Act of 2002, [and title I of the Food, Conservation, and Energy Act of 2008] *title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.), and title I of the Federal Agriculture Reform and Risk Management Act of 2012* unless the loan was obtained through a fraudulent representation by the producer.

(b) LIMITATIONS.—Subsection (a) shall not prevent the Commodity Credit Corporation or the Secretary from requiring a producer to assume liability for—

(1) * * *

* * * * * * *

(3) a failure or refusal to deliver a commodity in accordance with a program established under this title, title I of the Farm Security and Rural Investment Act of 2002, [and title I of the Food, Conservation, and Energy Act of 2008] *title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.), and title I of the Federal Agriculture Reform and Risk Management Act of 2012*.

(c) ACQUISITION OF COLLATERAL.—In the case of a nonrecourse loan made under this title, title I of the Farm Security and Rural Investment Act of 2002, [and title I of the Food, Conservation, and Energy Act of 2008] *title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.), and title I of the Federal Agriculture Reform and Risk Management Act of 2012* or the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), if the Commodity Credit Corporation acquires title to the unredeemed collateral, the Corporation shall be under no obligation to pay for any market value that the collateral may have in excess of the loan indebtedness.

* * * * * * *

Subtitle H—Miscellaneous Commodity Provisions

* * * * * * *

SEC. 196. ADMINISTRATION AND OPERATION OF NONINSURED CROP ASSISTANCE PROGRAM.

(a) OPERATION AND ADMINISTRATION OF PROGRAM.—

[(1) IN GENERAL.—In the case of an eligible crop described in paragraph (2), the Secretary of Agriculture shall operate a noninsured crop disaster assistance program to provide coverage equivalent to the catastrophic risk protection otherwise available under section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)). The Secretary shall carry out this section through the Consolidated Farm Service Agency (in this section referred to as the "Agency").]

(1) IN GENERAL.—

(A) COVERAGES.—In the case of an eligible crop described in paragraph (2), the Secretary of Agriculture shall operate a noninsured crop disaster assistance program to provide coverages based on individual yields (other than for value-loss crops) equivalent to—

(i) catastrophic risk protection available under section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)); or

(ii) additional coverage available under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) that does not exceed 65 percent.

(B) ADMINISTRATION.—The Secretary shall carry out this section through the Farm Service Agency (referred to in this section as the "Agency").

(2) ELIGIBLE CROPS.—

(A) IN GENERAL.—In this section, the term "eligible crop" means each commercial crop or other agricultural commodity (except livestock)—

(i) for which catastrophic risk protection under section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)) is not available; [and]

(ii) for which additional coverage under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) is not available; and

[(ii)] *(iii)* that is produced for food or fiber.

* * * * * * *

(4) PROGRAM [INELIGIBILITY] *BENEFIT REDUCTION* RELATING TO CROP PRODUCTION ON NATIVE SOD.—

(A) DEFINITION OF NATIVE SOD.—In this paragraph, the term "native sod" means land—

(i) * * *

(ii) that has never been tilled*, or the producer cannot substantiate that the ground has ever been tilled,* for the production of an annual crop as of the date of enactment of this paragraph.

* * * * * * *

(B) [INELIGIBILITY] *REDUCTION IN* FOR BENEFITS.—

(i) IN GENERAL.—Subject to clause (ii) and subparagraph (C), native sod acreage that has been tilled for the production of an annual crop after the date of enactment of this paragraph shall be ineligible during the first 5 crop years of planting, as determined by the Secretary, [for benefits under—

[(I) this section; and

[(II) the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).] *for—*

(I) benefits under this section;

(II) a portion of crop insurance premium subsidies under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) in accordance with subparagraph (C); and

(III) payments described in subsection (b) or (c) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

* * * * * * *

[(C) APPLICATION.—Subparagraph (B) may apply to native sod acreage in the Prairie Pothole National Priority

Area at the election of the Governor of the respective State.]

(C) ADMINISTRATION.—

(i) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in subparagraph (B)—

(I) subparagraph (B) shall apply to 65 percent of the transitional yield of the producer; and

(II) the crop insurance premium subsidy provided for the producer under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall be 50 percentage points less than the premium subsidy that would otherwise apply.

(ii) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this paragraph, a producer may not substitute yields for the native sod acreage.

(D) APPLICATION.—This paragraph shall only apply to native sod in the Prairie Pothole National Priority Area.

* * * * * * *

(d) PAYMENT.—[The Secretary] *Subject to subsection (l), the Secretary* shall make available to a producer eligible for noninsured assistance under this section a payment computed by multiplying—

(1) * * *

* * * * * * *

(l) PAYMENT EQUIVALENT TO ADDITIONAL COVERAGE.—

(1) IN GENERAL.—The Secretary shall make available to a producer eligible for noninsured assistance under this section a payment equivalent to an indemnity for additional coverage under subsections (c) and (h) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) that does not exceed 65 percent of the established yield for the eligible crop on the farm, computed by multiplying—

(A) the quantity that is not greater than 65 percent of the established yield for the crop, as determined by the Secretary, specified in increments of 5 percent;

(B) 100 percent of the average market price for the crop, as determined by the Secretary; and

(C) a payment rate for the type of crop, as determined by the Secretary, that reflects—

(i) in the case of a crop that is produced with a significant and variable harvesting expense, the decreasing cost incurred in the production cycle for the crop that is, as applicable—

(I) harvested;

(II) planted but not harvested; or

(III) prevented from being planted because of drought, flood, or other natural disaster, as determined by the Secretary; or

(ii) in the case of a crop that is produced without a significant and variable harvesting expense, such rate as shall be determined by the Secretary.

(2) PREMIUM.—To be eligible to receive a payment under this subsection, a producer shall pay—

(A) the service fee required by subsection (k); and

(B) a premium for the applicable crop year that is equal to the product obtained by multiplying—

(i) the number of acres devoted to the eligible crop;

(ii) the established yield for the eligible crop, as determined by the Secretary under subsection (e);

(iii) the coverage level elected by the producer;

(iv) the average market price, as determined by the Secretary; and

(v) .0525.

(3) LIMITED RESOURCE, BEGINNING, AND SOCIALLY DISADVANTAGED FARMERS.—The additional coverage made available under this subsection shall be available to limited resource, beginning, and socially disadvantaged producers, as determined by the Secretary, in exchange for a premium that is 50 percent of the premium determined for a producer under paragraph (2).

(4) PREMIUM PAYMENT AND APPLICATION DEADLINE.—

(A) PREMIUM PAYMENT.—A producer electing additional coverage under this subsection shall pay the premium amount owed for the additional coverage by September 30 of the crop year for which the additional coverage is purchased.

(B) APPLICATION DEADLINE.—The latest date on which additional coverage under this subsection may be elected shall be the application closing date described in subsection (b)(1).

(5) EFFECTIVE DATE.—Additional coverage under this subsection shall be available beginning with the 2014 crop.

* * * * * * *

TITLE VIII—RESEARCH, EXTENSION, AND EDUCATION

* * * * * * *

Subtitle D—Miscellaneous Research Provisions

* * * * * * *

[SEC. 892. USE OF REMOTE SENSING DATA AND OTHER DATA TO ANTICIPATE POTENTIAL FOOD, FEED, AND FIBER SHORTAGES OR EXCESSES AND TO PROVIDE TIMELY INFORMATION TO ASSIST FARMERS WITH PLANTING DECISIONS.

[(a) FINDINGS.—Congress finds that—

[(1) remote sensing data can be useful to predict impending famine problems and forest infestations in time to allow remedial action;

[(2) remote sensing data can inform the agricultural community as to the condition of crops and the land that sustains those crops; and

[(3) remote sensing data and other data can be valuable, when received on a timely basis, in determining the need for additional plantings of a particular crop or a substitute crop.

[(b) INFORMATION DEVELOPMENT.—The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration, maximizing private funding and involvement, shall provide farmers and other interested persons with timely information, through remote sensing, on crop conditions, fertilization and irrigation needs, pest infiltration, soil conditions, projected food, feed, and fiber production, and any other information available through remote sensing.

[(c) COORDINATION.—The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall jointly develop a proposal to provide farmers and other prospective users with supply and demand information for food and fibers.

[(d) SUNSET.—The authorities provided by this section shall expire 5 years after the date of enactment of this Act.]

AGRICULTURAL ADJUSTMENT ACT OF 1938

* * * * * * *

TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, MARKETING QUOTAS, AND MARKETING CERTIFICATES

* * * * * * *

SUBTITLE B—MARKETING QUOTAS

* * * * * * *

PART VII—FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR

* * * * * * *

SEC. 359b. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.

(a) SUGAR ESTIMATES.—

(1) IN GENERAL.—Not later than August 1 before the beginning of each of the 2008 through [2012] *2017* crop years for sugarcane and sugar beets, the Secretary shall estimate—

(A) * * *

* * * * * * *

SEC. 359f. PROVISIONS APPLICABLE TO PRODUCERS.

(a) * * *

* * * * * * *

(c) PROPORTIONATE SHARES OF CERTAIN ALLOTMENTS.—

(1) DEFINITION OF SEED.—

(A) * * *

(B) EXCLUSION.—The term "seed" does not include seed of a high-fiber cane variety dedicated to other uses, as determined by the Secretary.

* * * * * * *

SEC. 359l. PERIOD OF EFFECTIVENESS.

(a) IN GENERAL.—This part shall be effective only for the 2008 through [2012] *2017* crop years for sugar.

* * * * * * *

FOOD SECURITY ACT OF 1985

* * * * * * *

TITLE X—GENERAL COMMODITY PROVISIONS

SUBTITLE A—MISCELLANEOUS COMMODITY PROVISIONS

SEC. 1001. PAYMENT LIMITATIONS.

(a) * * *

[(b) LIMITATION ON DIRECT PAYMENTS, COUNTER-CYCLICAL PAYMENTS, AND ACRE PAYMENTS FOR COVERED COMMODITIES (OTHER THAN PEANUTS).—

[(1) DIRECT PAYMENTS.—The total amount of direct payments received, directly or indirectly, by a person or legal entity (except a joint venture or a general partnership) for any crop year under subtitle A of title I of the Food, Conservation, and Energy Act of 2008 for 1 or more covered commodities (except for peanuts) may not exceed—

[(A) in the case of a person or legal entity that does not participate in the average crop revenue election program under section 1105 of that Act, $40,000; or

[(B) in the case of a person or legal entity that participates in the average crop revenue election program under section 1105 of that Act, an amount equal to—

[(i) the payment limit specified in subparagraph (A); less

[(ii) the amount of the reduction in direct payments under section 1105(a)(1) of that Act.

[(2) COUNTER-CYCLICAL PAYMENTS.—In the case of a person or legal entity (except a joint venture or a general partnership) that does not participate in the average crop revenue election program under section 1105 of the Food, Conservation, and Energy Act of 2008, the total amount of counter-cyclical payments received, directly or indirectly, by the person or legal entity for any crop year under subtitle A of title I of that Act for 1 or more covered commodities (except for peanuts) may not exceed $65,000.

[(3) ACRE AND COUNTER-CYCLICAL PAYMENTS.—In the case of a person or legal entity (except a joint venture or a general partnership) that participates in the average crop revenue election program under section 1105 of the Food, Conservation, and Energy Act of 2008, the total amount of average crop revenue election payments and counter-cyclical payments received, directly or indirectly, by the person or legal entity for any crop year for 1 or more covered commodities (except for peanuts) may not exceed the sum of—

[(A) $65,000; and

[(B) the amount by which the direct payment limitation is reduced under paragraph (1)(B).

[(c) LIMITATION ON DIRECT PAYMENTS, COUNTER-CYCLICAL PAYMENTS, AND ACRE PAYMENTS FOR PEANUTS.—

[(1) DIRECT PAYMENTS.—The total amount of direct payments received, directly or indirectly, by a person or legal entity (except a joint venture or a general partnership) for any crop year under subtitle C of title I of the Food, Conservation, and Energy Act of 2008 for peanuts may not exceed—

[(A) in the case of a person or legal entity that does not participate in the average crop revenue election program under section 1105 of that Act, $40,000; or

[(B) in the case of a person or legal entity that participates in the average crop revenue election program under section 1105 of that Act, an amount equal to—

[(i) the payment limit specified in subparagraph (A); less

[(ii) the amount of the reduction in direct payments under section 1105(a)(1) of that Act.

[(2) COUNTER-CYCLICAL PAYMENTS.—In the case of a person or legal entity (except a joint venture or a general partnership) that does not participate in the average crop revenue election program under section 1105 of the Food, Conservation, and Energy Act of 2008, the total amount of counter-cyclical payments received, directly or indirectly, by the person or legal entity for any crop year under subtitle C of title I of that Act for peanuts may not exceed $65,000.

[(3) ACRE AND COUNTER-CYCLICAL PAYMENTS.—In the case of a person or legal entity (except a joint venture or a general partnership) that participates in the average crop revenue election program under section 1105 of the Food, Conservation, and Energy Act of 2008, the total amount of average crop revenue election payments received, directly or indirectly, by the person or legal entity for any crop year for peanuts may not exceed the sum of—

[(A) $65,000; and

[(B) the amount by which the direct payment limitation is reduced under paragraph (1)(B).]

(b) LIMITATION ON PAYMENTS FOR COVERED COMMODITIES (OTHER THAN PEANUTS).—The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012 for 1 or more covered commodities (other than peanuts) may not exceed $125,000.

(c) LIMITATION ON PAYMENTS FOR PEANUTS.—The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012 for peanuts may not exceed $125,000.

(d) LIMITATION ON APPLICABILITY.—Nothing in this section authorizes any limitation on any benefit associated with the marketing assistance loan program or the loan deficiency payment program under title I of the Food, Conservation, and Energy Act of 2008 *or title I of the Federal Agriculture Reform and Risk Management Act of 2012*.

* * * * * * *

(f) SPECIAL RULES.—

(1) * * *

* * * * * * *

(5) FEDERAL AGENCIES.—

(A) IN GENERAL.—Notwithstanding subsection (d), a Federal agency shall not be eligible to receive any payment, benefit, or loan under title I of the Food, Conservation, and Energy Act of 2008 [or title XII], *title I of the Federal Agriculture Reform and Risk Management Act of 2012, or title XII* of this Act.

* * * * * * *

(6) STATE AND LOCAL GOVERNMENTS.—

(A) IN GENERAL.—Notwithstanding subsection (d), except as provided in subsection (g), a State or local government, or political subdivision or agency of the government, shall not be eligible to receive any payment, benefit, or loan under title I of the Food, Conservation, and Energy Act of 2008 [or title XII], *title I of the Federal Agriculture Reform and Risk Management Act of 2012, or title XII* of this Act.

* * * * * * *

SEC. 1001C. FOREIGN PERSONS MADE INELIGIBLE FOR PROGRAM BENEFITS.

Notwithstanding any other provision of law:

(a) IN GENERAL.—Any person who is not a citizen of the United States or an alien lawfully admitted into the United States for permanent residence under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) shall be ineligible to receive any type of loans or payments made available under title I of the Food, Conservation, and Energy Act of 2008, *title I of the Federal Agriculture Reform and Risk Management Act of 2012,* the Agricultural Market Transition Act, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.), or under any contract entered into under title XII, with respect to any commodity produced, or land set aside from production, on a farm that is owned or operated by such person, unless such person is an individual who is providing land, capital, and a substantial amount of personal labor in the production of crops on such farm.

* * * * * * *

SEC. 1001D. ADJUSTED GROSS INCOME LIMITATION.

(a) DEFINITIONS.—

[(1) IN GENERAL.—In this section:

[(A) AVERAGE ADJUSTED GROSS INCOME.—The term "average adjusted gross income", with respect to a person or legal entity, means the average of the adjusted gross income or comparable measure of the person or legal entity over the 3 taxable years preceding the most immediately preceding complete taxable year, as determined by the Secretary.

[(B) AVERAGE ADJUSTED GROSS FARM INCOME.—The term "average adjusted gross farm income", with respect to a

person or legal entity, means the average of the portion of adjusted gross income of the person or legal entity that is attributable to activities related to farming, ranching, or forestry for the 3 taxable years described in subparagraph (A), as determined by the Secretary in accordance with subsection (c).

[(C) AVERAGE ADJUSTED GROSS NONFARM INCOME.—The term "average adjusted gross nonfarm income", with respect to a person or legal entity, means the difference between—

[(i) the average adjusted gross income of the person or legal entity; and

[(ii) the average adjusted gross farm income of the person or legal entity.]

(1) AVERAGE ADJUSTED GROSS INCOME.—In this section, the term "average adjusted gross income", with respect to a person or legal entity, means the average of the adjusted gross income or comparable measure of the person or legal entity over the 3 taxable years preceding the most immediately preceding complete taxable year, as determined by the Secretary.

(2) SPECIAL RULES FOR CERTAIN PERSONS AND LEGAL ENTITIES.—In the case of a legal entity that is not required to file a Federal income tax return or a person or legal entity that did not have taxable income in 1 or more of the taxable years used to determine the average under [subparagraph (A) or (B) of] paragraph (1), the Secretary shall provide, by regulation, a method for determining the average adjusted gross income[, the average adjusted gross farm income, and the average adjusted gross nonfarm income] of the person or legal entity for purposes of this section.

(3) ALLOCATION OF INCOME.—On the request of any person filing a joint tax return, the Secretary shall provide for the allocation of average adjusted gross income[, average adjusted gross farm income, and average adjusted gross nonfarm income] among the persons filing the return if—

(A) the person provides a certified statement by a certified public accountant or attorney that specifies the method by which the average adjusted gross income[, average adjusted gross farm income, and average adjusted gross nonfarm income] would have been declared and reported had the persons filed 2 separate returns; and

* * * * * * *

(b) [LIMITATIONS] *LIMITATIONS ON COMMODITY AND CONSERVATION PROGRAMS.*—

[(1) COMMODITY PROGRAMS.—

[(A) NONFARM LIMITATION.—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive any benefit described in subparagraph (C) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross nonfarm income of the person or legal entity exceeds $500,000.

[(B) FARM LIMITATION.—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive a direct payment under subtitle A or C of title I of the Food, Conservation, and Energy Act of 2008 during

a crop year, if the average adjusted gross farm income of the person or legal entity exceeds $750,000.

[(C) COVERED BENEFITS.—Subparagraph (A) applies with respect to the following:

[(i) A direct payment or counter-cyclical payment under subtitle A or C of title I of the Food, Conservation, and Energy Act of 2008 or an average crop revenue election payment under subtitle A of title I of that Act.

[(ii) A marketing loan gain or loan deficiency payment under subtitle B or C of title I of the Food, Conservation, and Energy Act of 2008.

[(iii) A payment or benefit under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

[(iv) A payment or benefit under section 1506 of the Food, Conservation, and Energy Act of 2008.

[(v) A payment or benefit under title IX of the Trade Act of 1974 or subtitle B of the Federal Crop Insurance Act.

[(2) CONSERVATION PROGRAMS.—

[(A) LIMITS.—

[(i) IN GENERAL.—Notwithstanding any other provision of law, except as provided in clause (ii), a person or legal entity shall not be eligible to receive any benefit described in subparagraph (B) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross nonfarm income of the person or legal entity exceeds $1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

[(ii) EXCEPTION.—The Secretary may waive the limitation established under clause (i) on a case-by-case basis if the Secretary determines that environmentally sensitive land of special significance would be protected.

[(B) COVERED BENEFITS.—Subparagraph (A) applies with respect to the following:

[(i) A payment or benefit under title XII of this Act.

[(ii) A payment or benefit under title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 116 Stat. 223) or title II of the Food, Conservation, and Energy Act of 2008.

[(iii) A payment or benefit under section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)).]

(1) LIMITATION.—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive any benefit described in paragraph (2) during a crop, fiscal, or program year, as appropriate, if the average adjusted gross income of the person or legal entity exceeds $950,000.

(2) COVERED BENEFITS.—Paragraph (1) applies with respect to a payment or benefit under section 1107, subtitle B or E of title I, or title II of the Federal Agriculture Reform and Risk Management Act of 2012, title II of the Farm Security and

Rural Investment Act of 2002, title II of the Food, Conservation, and Energy Act of 2008, title XII of the Food Security Act of 1985, section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)), or section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

[(c) INCOME DETERMINATION.—

[(1) IN GENERAL.—In determining the average adjusted gross farm income of a person or legal entity, the Secretary shall include income or benefits derived from or related to—

[(A) the production of crops, including specialty crops (as defined in section 3 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465)) and unfinished raw forestry products;

[(B) the production of livestock (including cattle, elk, reindeer, bison, horses, deer, sheep, goats, swine, poultry, fish, and other aquacultural products used for food, honeybees, and other animals designated by the Secretary) and products produced by, or derived from, livestock;

[(C) the production of farm-based renewable energy (as defined in section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101));

[(D) the sale, including the sale of easements and development rights, of farm, ranch, or forestry land, water or hunting rights, or environmental benefits;

[(E) the rental or lease of land or equipment used for farming, ranching, or forestry operations, including water or hunting rights;

[(F) the processing (including packing), storing (including shedding), and transporting of farm, ranch, and forestry commodities, including renewable energy;

[(G) the feeding, rearing, or finishing of livestock;

[(H) the sale of land that has been used for agriculture;

[(I) payments or other benefits received under any program authorized under title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7901 et seq.) or title I of the Food, Conservation, and Energy Act of 2008;

[(J) payments or other benefits received under any program authorized under title XII of this Act, title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 116 Stat. 223), or title II of the Food, Conservation, and Energy Act of 2008;

[(K) payments or other benefits received under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333);

[(L) payments or other benefits received under title IX of the Trade Act of 1974 or subtitle B of the Federal Crop Insurance Act;

[(M) risk management practices, including benefits received under a program authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) (including a catastrophic risk protection plan offered under section 508(b) of that Act (7 U.S.C. 1508(b))); and

[(N) any other activity related to farming, ranching, or forestry, as determined by the Secretary.

[(2) INCOME DERIVED FROM FARMING, RANCHING, OR FORESTRY.—In determining the average adjusted gross farm income of a person or legal entity, in addition to the inclusions described in paragraph (1), the Secretary shall include any income reported on the Schedule F or other schedule used by the person or legal entity to report income from farming, ranching, or forestry operations to the Internal Revenue Service, to the extent such income is not already included under paragraph (1).

[(3) SPECIAL RULE.—If not less than 66.66 percent of the average adjusted gross income of a person or legal entity is derived from farming, ranching, or forestry operations described in paragraphs (1) and (2), in determining the average adjusted gross farm income of the person or legal entity, the Secretary shall also include—

[(A) the sale of equipment to conduct farm, ranch, or forestry operations; and

[(B) the provision of production inputs and services to farmers, ranchers, foresters, and farm operations.]

[(d)] *(c)* ENFORCEMENT.—

(1) IN GENERAL.—To comply with subsection (b), at least once every 3 years a person or legal entity shall provide to the Secretary—

(A) a certification by a certified public accountant or another third party that is acceptable to the Secretary that the average adjusted gross income[, average adjusted gross farm income, and average adjusted gross nonfarm income] of the person or legal entity does not exceed the applicable limitation specified in that subsection; or

(B) information and documentation regarding the average adjusted gross income[, average adjusted gross farm income, and average adjusted gross nonfarm income] of the person or legal entity through other procedures established by the Secretary.

(2) DENIAL OF PROGRAM BENEFITS.—If the Secretary determines that a person or legal entity has failed to comply with this section, the Secretary shall deny the issuance of applicable payments and benefits specified in [paragraphs (1)(C) and (2)(B) of subsection (b)] *subsection (b)(2)* to the person or legal entity, under similar terms and conditions as described in section 1001B.

* * * * * * *

[(e)] *(d)* COMMENSURATE REDUCTION.—In the case of a payment or benefit described in [paragraphs (1)(C) and (2)(B) of subsection (b)] *subsection (b)(2)* made in a crop, program, or fiscal year, as appropriate, to an entity, general partnership, or joint venture, the amount of the payment or benefit shall be reduced by an amount that is commensurate with the direct and indirect ownership interest in the entity, general partnership, or joint venture of each person who has an average adjusted gross income[, average adjusted gross farm income, or average adjusted gross nonfarm income] in excess of the applicable limitation specified in subsection (b).

[(f)] *(e)* EFFECTIVE PERIOD.—This section shall apply only during the [2009 through 2012] *2013 through 2017* crop, program, or fiscal years, as appropriate.

* * * * * * *

TITLE XI—TRADE

* * * * * * *

Subtitle D—Agricultural Imports

* * * * * * *

[DAIRY EXPORT INCENTIVE PROGRAM

[SEC. 153. (a) During the period beginning 60 days after the date of enactment of this Act and ending on December 31, 2012, the Commodity Credit Corporation shall establish and operate an export incentive program as described in this section for dairy products under section 5 of the Commodity Credit Corporation Charter Act.

[(b) The program established under subsection (a) shall provide for the Corporation to make payments, on a bid basis, to an entity that sells for export United States dairy products. The Secretary shall have sole discretion to accept or reject bids under such criteria as the Secretary deems appropriate.

[(c) The program shall be operated under such rules and regulations issued by the Secretary as the Secretary deems necessary to ensure, among other things, that—

[(1) payments may be made under the program only on the quantity of dairy products sold by an entity for export in any year that is in addition to, and not in place of, any export sales of dairy products that the entity would otherwise make in the absence of the program;

[(2) to the extent practicable, dairy products sold for export under the program will not displace commercial export sales of United States dairy products by other exporters;

[(3) the maximum volume of dairy product exports allowable consistent with the obligations of the United States under the Uruguay Round Agreements approved under section 101 of the Uruguay Round Agreements Act (19 U.S.C. 3511) is exported under the program each year (minus the volume sold under section 1163 of this Act during that year), except to the extent that the export of such a volume under the program would, in the judgment of the Secretary, exceed the limitations on the value permitted under subsection (f); and

[(4) payments may be made under the program for exports to any destination in the world for the purpose of market development, except a destination in a country with respect to which shipments from the United States are otherwise restricted by law.

[(d)(1) The regulations issued by the Secretary may provide for payments under the program to be made in cash or in commodities of equal value that are available in Commodity Credit Corporation stock.

[(2) If payments in commodities are authorized, such payments shall be made through the issuance of generic certificates redeemable in commodities.

[(3) If generic certificates issued in accordance with the program provided for by this section are exchanged for dairy products owned by the Commodity Credit Corporation, the regulations issued by the Secretary shall ensure that—

[(A) such dairy products, or an equal quantity of other dairy products, will be sold for export by the entity; and

[(B) any such export sales by the entity—

[(i) will be in addition to, and not in place of, export sales of dairy products that the entity would otherwise make under the program or in the absence of the program; and

[(ii) to the extent practicable, will not displace commercial export sales of United States dairy products by other exporters.

[(e)(1) The payments made under the program shall be made at a rate or rates established or approved by the Secretary, taking into consideration, among other things the type of product to be exported, the domestic price of dairy products, the world price of the dairy products, and any additional amount that may be required to assist in the development of world markets for United States dairy products.

[(2) Any such rate established or approved by the Secretary shall be published in the Federal Register or publicly announced through other appropriate means, and shall be at a level or levels as will encourage the exportation of United States dairy products by entities.

[(f) REQUIRED FUNDING.—

[(1) FUNDS AND COMMODITIES.—Except as provided in paragraph (2), the Commodity Credit Corporation shall in each year use money and commodities for the program under this section in the maximum amount consistent with the obligations of the United States under the Uruguay Round Agreements approved under section 101 of the Uruguay Round Agreements Act (19 U.S.C. 3511), minus the amount expended under section 1163 of this Act during that year.

[(2) VOLUME LIMITATIONS.—The Commodity Credit Corporation may not exceed the limitations specified in subsection (c)(3) on the volume of allowable dairy product exports.]

* * * * * * *

TITLE XII—CONSERVATION

SUBTITLE A—DEFINITIONS

DEFINITIONS

SEC. 1201. (a) For purposes of subtitles A through [E] *I*:

(1) * * *

* * * * * * *

SUBTITLE B—HIGHLY ERODIBLE LAND CONSERVATION

SEC. 1211. PROGRAM INELIGIBILITY.

(a) IN GENERAL.—Except as provided in section 1212, and notwithstanding any other provision of law, any person who in any crop year produces an agricultural commodity on a field on which highly erodible land is [predominate] *predominant*, or designates land on which highly erodible land is [predominate] *predominant* to be set aside, diverted, devoted to conservation uses, or otherwise not cultivated under a program administered by the Secretary to reduce production of an agricultural commodity, as determined by the Secretary shall be ineligible for—

(1) * * *

* * * * * * *

Subtitle D—Agricultural Resources Conservation Program

CHAPTER 1—[COMPREHENSIVE CONSERVATION ENHANCEMENT PROGRAM] *CONSERVATION RESERVE*

Subchapter A—General Provisions

[SEC. 1230. COMPREHENSIVE CONSERVATION ENHANCEMENT PROGRAM.

[(a) ESTABLISHMENT.—

[(1) IN GENERAL.—During the 1996 through 2002 calendar years, the Secretary shall establish a comprehensive conservation enhancement program (referred to in this section as "CCEP") to be implemented through contracts and the acquisition of easements to assist owners and operators of farms and ranches to conserve and enhance soil, water, and related natural resources, including grazing land, wetland, and wildlife habitat.

[(2) MEANS.—The Secretary shall carry out the CCEP by—

[(A) providing for the long-term protection of environmentally sensitive land; and

[(B) providing technical and financial assistance to farmers and ranchers to—

[(i) improve the management and operation of the farms and ranches; and

[(ii) reconcile productivity and profitability with protection and enhancement of the environment.

[(3) PROGRAMS.—The CCEP shall consist of—

[(A) the conservation reserve program established under subchapter B;

[(B) the wetlands reserve program established under subchapter C; and

[(C) the environmental quality incentives program established under chapter 4.

[(b) ADMINISTRATION.—

[(1) IN GENERAL.—In carrying out the CCEP, the Secretary shall enter into contracts with owners and operators and acquire interests in land through easements from owners, as provided in this chapter and chapter 4.

[(2) PRIOR ENROLLMENTS.—Acreage enrolled in the conservation reserve or wetlands reserve program prior to the date of

enactment of this paragraph shall be considered to be placed into the CCEP.]

* * * * * * *

Subchapter B—Conservation Reserve

SEC. 1231. CONSERVATION RESERVE.

(a) IN GENERAL.—Through the [2012] *2017* fiscal year, the Secretary shall formulate and carry out a conservation reserve program under which land is enrolled through the use of contracts to assist owners and operators of land specified in subsection (b) to conserve and improve the soil, water, and wildlife resources of such land and to address issues raised by State, regional, and national conservation initiatives.

(b) ELIGIBLE LAND.—The Secretary may include in the program established under this subchapter—

(1) highly erodible cropland that—

(A) * * *

(B) the Secretary determines had a cropping history or was considered to be planted for 4 of the 6 years preceding [the date of enactment of the Food, Conservation, and Energy Act of 2008] *the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012* (except for land enrolled in the conservation reserve program as of that date);

[(2) marginal pasture land converted to wetland or established as wildlife habitat prior to November 28, 1990;]

[(3)] *(2)* marginal pasture land to be devoted to appropriate vegetation, including trees, in or near riparian areas, or devoted to similar water quality purposes (including marginal pastureland converted to wetland or established as wildlife habitat);

(3) grasslands that—

(A) contain forbs or shrubland (including improved rangeland and pastureland) for which grazing is the predominant use;

(B) are located in an area historically dominated by grasslands; and

(C) could provide habitat for animal and plant populations of significant ecological value if the land is retained in its current use or restored to a natural condition;

(4) cropland that is otherwise ineligible if the Secretary determines that—

(A) * * *

* * * * * * *

(C) the land will be devoted to newly established living snow fences, permanent wildlife habitat, windbreaks, shelterbelts, or [filterstrips devoted to trees or shrubs] *filterstrips or riparian buffers devoted to trees, shrubs, or grasses*;

* * * * * * *

[(5) the portion of land in a field not enrolled in the conservation reserve in a case in which more than 50 percent of the land in the field is enrolled as a buffer, if—

[(A) the land is enrolled as part of the buffer; and

[(B) the remainder of the field is—

[(i) infeasible to farm; and

[(ii) enrolled at regular rental rates.]

(5) the portion of land in a field not enrolled in the conservation reserve in a case in which—

(A) more than 50 percent of the land in the field is enrolled as a buffer or filterstrip, or more than 75 percent of the land in the field is enrolled as a conservation practice other than as a buffer or filterstrip; and

(B) the remainder of the field is—

(i) infeasible to farm; and

(ii) enrolled at regular rental rates.

(c) PLANTING STATUS OF CERTAIN LAND.—For purposes of determining the eligibility of land to be placed in the conservation reserve established under this subchapter, land shall be considered to be planted to an agricultural commodity during a crop year [if—

[(1) during the crop year, the land was devoted to a conserving use; or

[(2)(A) during the crop year or during any of the 2 years preceding the crop year, the land was enrolled in the water bank program; and

[(B) the contract of the owner or operator of the cropland expired or will expire in calendar year 2000, 2001, or 2002.] *if, during the crop year, the land was devoted to a conserving use.*

[(d) MAXIMUM ENROLLMENT.—The Secretary may maintain up to 39,200,000 acres in the conservation reserve at any 1 time during the 2002 through 2009 fiscal years (including contracts extended by the Secretary pursuant to section 1437(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 3831 note; Public Law 101µ09624)). During fiscal years 2010, 2011, and 2012, the Secretary may maintain up to 32,000,000 acres in the conservation reserve at any 1 time.]

(d) ENROLLMENT.—

(1) MAXIMUM ACREAGE ENROLLED.—The Secretary may maintain in the conservation reserve at any one time during—

(A) fiscal year 2012, no more than 32,000,000 acres;

(B) fiscal year 2013, no more than 29,000,000 acres;

(C) fiscal year 2014, no more than 26,000,000 acres;

(D) fiscal year 2015, no more than 26,000,000 acres;

(E) fiscal year 2016, no more than 25,500,000 acres; and

(F) fiscal year 2017, no more than 25,000,000 acres.

(2) GRASSLANDS.—

(A) LIMITATION.—For purposes of applying the limitations in paragraph (1), no more than 2,000,000 acres of the land described in subsection (b)(3) may be enrolled in the program at any one time during the 2013 through 2017 fiscal years.

(B) PRIORITY.—In enrolling acres under subparagraph (A), the Secretary may give priority to land with expiring conservation reserve program contracts.

(C) METHOD OF ENROLLMENT.—In enrolling acres under subparagraph (A), the Secretary shall make the program available to owners or operators of eligible land on a continuous enrollment basis with one or more ranking periods.

(e) DURATION OF CONTRACT.—

(1) * * *

[(2) CERTAIN LAND.—

[(A) IN GENERAL.—In the case of land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors under a contract entered into under this subchapter after October 1, 1990, and land devoted to such uses under contracts modified under section 1235A, the owner or operator of the land may, within the limitations prescribed under this section, specify the duration of the contract.

[(B) HARDWOOD TREES.—In the case of land that is devoted to hardwood trees under a contract entered into under this subchapter prior to October 1, 1990, the Secretary may extend the contract for a term of not to exceed 5 years, as agreed to by the owner or operator of such land and the Secretary.

[(3) 1-YEAR EXTENSION.—In the case of a contract described in paragraph (1) the term of which expires during calendar year 2002, an owner or operator of land enrolled under the contract may extend the contract for 1 additional year.]

(2) SPECIAL RULE FOR CERTAIN LAND.—In the case of land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors under a contract entered into under this subchapter, the owner or operator of the land may, within the limitations prescribed under paragraph (1), specify the duration of the contract.

(f) CONSERVATION PRIORITY AREAS.—

(1) DESIGNATION.—On application by the appropriate State agency, the Secretary shall designate [watershed areas of the Chesapeake Bay Region, the Great Lakes Region, the Long Island Sound Region, and other] areas of special environmental sensitivity as conservation priority areas.

(2) ELIGIBLE [WATERSHEDS.—] *AREAS.*—[Watersheds] *Areas* eligible for designation under this subsection shall include areas with actual and significant adverse water quality or habitat impacts related to agricultural production activities.

(3) EXPIRATION.—Conservation priority area designation under this subsection shall expire after 5 years, subject to redesignation, except that the Secretary may withdraw [a watershed's designation—

[(A) on application by the appropriate State agency; or

[(B) in the case of an area covered by this subsection, if the Secretary finds that the area no longer contains actual and significant adverse water quality or habitat impacts related to agricultural production activities.] *an area's designation if the Secretary finds that the area no longer contains actual and significant adverse water quality or habitat impacts related to agricultural production activities.*

* * * * * * *

[SEC. 1231A. EMERGENCY FORESTRY CONSERVATION RESERVE PROGRAM.

[(a) DEFINITIONS.—In this section:

[(1) MERCHANTABLE TIMBER.—The term "merchantable timber" means timber on private nonindustrial forest land on which the average tree has a trunk diameter of at least 6 inches measured at a point no less than 4.5 feet above the ground.

[(2) PRIVATE NONINDUSTRIAL FOREST LAND.—The term "private nonindustrial forest land" includes State school trust land.

[(b) PROGRAM.—The Secretary shall carry out an emergency pilot program in States that the Secretary determines have suffered damage to merchantable timber in counties affected by hurricanes during the 2005 calendar year.

[(c) ELIGIBLE ACREAGE.—

[(1) IN GENERAL.—Subject to paragraph (2) and the availability of funds under paragraph (7), an owner or operator may enroll private nonindustrial forest land in the conservation reserve under this section.

[(2) DETERMINATION OF DAMAGES.—Eligibility for enrollment shall be limited to owners and operators of private nonindustrial forest land that have experienced a loss of 35 percent or more of merchantable timber in a county affected by hurricanes during the 2005 calendar year.

[(3) EXEMPTIONS.—Acreage enrolled in the conservation reserve under this section shall not count toward—

[(A) county acreage limitations described in section 1243(b); or

[(B) the maximum enrollment described in section 1231(d).

[(4) DUTIES OF OWNERS AND OPERATORS.—As a condition of entering into a contract under this section, during the term of the contract, the owner or operator of private nonindustrial forest land shall agree—

[(A) to restore the land, through site preparation and planting of similar species as existing prior to hurricane damages or to the maximum extent practicable with other native species, as determined by the Secretary; and

[(B) to establish temporary vegetative cover the purpose of which is to prevent soil erosion on the eligible acreage, as determined by the Secretary.

[(5) DUTIES OF THE SECRETARY.—

[(A) IN GENERAL.—In return for a contract entered into by an owner or operator of private nonindustrial forest land under this section, the Secretary shall provide, at the option of the landowner—

[(i) notwithstanding the limitation in section 1234(f)(1), a lump sum payment; or

[(ii) annual rental payments.

[(B) CALCULATION OF LUMP SUM PAYMENT.—The lump sum payment described in subparagraph (A)(i) shall be calculated using a net present value formula, as determined by the Secretary, based on the total amount a producer would receive over the duration of the contract.

[(C) CALCULATION OF ANNUAL RENTAL PAYMENTS.—The annual rental payment described in subparagraph (A)(ii) shall be equal to the average rental rate for conservation reserve contracts in the county in which the land is located.

[(D) ROLLING SIGNUP.—The Secretary shall offer a rolling signup for contracts under this section.

[(E) DURATION OF CONTRACTS.—A contract entered into under this section shall have a term of 10 years.

[(6) BALANCE OF NATURAL RESOURCES.—In determining the acceptability of contract offers under this section, the Secretary shall consider an equitable balance among the purposes of soil erosion prevention, water quality improvement, wildlife habitat restoration, and mitigation of economic loss.

[(7) FUNDING.—The Secretary shall use $504,100,000, to remain available until expended, of funds of the Commodity Credit Corporation to carry out this section.

[(8) DETERMINATIONS BY SECRETARY.—A determination made by the Secretary under this section shall be final and conclusive.

[(9) REGULATIONS.—

[(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall promulgate such regulations as are necessary to implement this section.

[(B) PROCEDURE.—The promulgation of regulations and administration of this section shall be made without regard to—

[(i) the notice and comment provisions of section 553 of title 5, United States Code;

[(ii) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

[(iii) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

[(C) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.]

SEC. 1231B. [PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.] *FARMABLE WETLAND PROGRAM.*

(a) PROGRAM REQUIRED.—

(1) IN GENERAL.—During the 2008 through [2012] *2017* fiscal years, the Secretary shall carry out [a program] *a farmable wetland program* in each State under which the Secretary shall enroll eligible acreage described in subsection (b).

* * * * * * *

(b) ELIGIBLE ACREAGE.—

(1) WETLAND AND RELATED LAND.—Subject to subsections (c) and (d), an owner or operator may enroll in the conservation

reserve, pursuant to the program established under this section, land—

(A) * * *

(B) on which a constructed wetland is to be developed that will receive [flow from a row crop agriculture drainage system] *surface and subsurface flow from row crop agricultural production* and is designed to provide nitrogen removal in addition to other wetland functions;

* * * * * * *

(c) PROGRAM LIMITATIONS.—

(1) ACREAGE LIMITATION.—The Secretary may enroll in the conservation reserve, pursuant to the program established under this section, not more than—

(A) * * *

(B) a total of [1,000,000] *750,000* acres.

* * * * * * *

SEC. 1232. DUTIES OF OWNERS AND OPERATORS.

(a) IN GENERAL.—Under the terms of a contract entered into under this subchapter, during the term of the contract, an owner or operator of a farm or ranch shall agree—

(1) * * *

* * * * * * *

(8) not to conduct any harvesting or grazing, nor otherwise make commercial use of the forage, on land that is subject to the contract, nor adopt any similar practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract, [except that the Secretary may permit, consistent with the conservation of soil, water quality, and wildlife habitat (including habitat during nesting seasons for birds in the area)—

[(A) managed harvesting (including the managed harvesting of biomass), except that in permitting managed harvesting, the Secretary, in coordination with the State technical committee—

[(i) shall develop appropriate vegetation management requirements; and

[(ii) shall identify periods during which managed harvesting may be conducted;

[(B) harvesting and grazing or other commercial use of the forage on the land that is subject to the contract in response to a drought or other emergency;

[(C) routine grazing or prescribed grazing for the control of invasive species, except that in permitting such routine grazing or prescribed grazing, the Secretary, in coordination with the State technical committee—

[(i) shall develop appropriate vegetation management requirements and stocking rates for the land that are suitable for continued routine grazing; and

[(ii) shall establish the frequency during which routine grazing may be conducted, taking into consideration regional differences such as—

[(I) climate, soil type, and natural resources;

[(II) the number of years that should be required between routine grazing activities; and

[(III) how often during a year in which routine grazing is permitted that routine grazing should be allowed to occur; and

[(D) the installation of wind turbines, except that in permitting the installation of wind turbines, the Secretary shall determine the number and location of wind turbines that may be installed, taking into account—

[(i) the location, size, and other physical characteristics of the land;

[(ii) the extent to which the land contains wildlife and wildlife habitat; and

[(iii) the purposes of the conservation reserve program under this subchapter;] *except as provided in subsection (b) or (c) of section 1233;*

* * * * * * *

[(b) CONSERVATION PLANS.—The plan referred to in subsection (a)(1)—

[(1) shall set forth—

[(A) the conservation measures and practices to be carried out by the owner or operator during the term of the contract; and

[(B) the commercial use, if any, to be permitted on the land during the term; and

[(2) may provide for the permanent retirement of any existing cropland base and allotment history for the land.]

(b) CONSERVATION PLANS.—The plan referred to in subsection (a)(1) shall set forth—

(1) the conservation measures and practices to be carried out by the owner or operator during the term of the contract; and

(2) the commercial use, if any, to be permitted on the land during the term.

* * * * * * *

[(d) RENTAL PAYMENT REDUCTION FOR CERTAIN AUTHORIZED USES OF ENROLLED LAND.—In the case of an authorized activity under subsection (a)(8) on land that is subject to a contract under this subchapter, the Secretary shall reduce the rental payment otherwise payable under the contract by an amount commensurate with the economic value of the authorized activity.]

[SEC. 1233. DUTIES OF THE SECRETARY.

[In return for a contract entered into by an owner or operator under section 1232, the Secretary shall—

[(1) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest; and

[(2) for a period of years not in excess of the term of the contract, pay an annual rental payment in an amount necessary to compensate for—

[(A) the conversion of highly erodible cropland normally devoted to the production of an agricultural commodity on a farm or ranch to a less intensive use; and

[(B) the retirement of any cropland base and allotment history that the owner or operator agrees to retire permanently.]

SEC. 1233. DUTIES OF THE SECRETARY.

(a) COST-SHARE AND RENTAL PAYMENTS.—In return for a contract entered into by an owner or operator under the conservation reserve program, the Secretary shall—

(1) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest; and

(2) for a period of years not in excess of the term of the contract, pay an annual rental payment in an amount necessary to compensate for—

(A) the conversion of highly erodible cropland or other eligible lands normally devoted to the production of an agricultural commodity on a farm or ranch to a less intensive use;

(B) the retirement of any base history that the owner or operator agrees to retire permanently; and

(C) the development and management of grasslands for multiple natural resource conservation benefits, including to soil, water, air, and wildlife.

(b) SPECIFIED ACTIVITIES PERMITTED.—The Secretary shall permit certain activities or commercial uses of land that is subject to a contract under the conservation reserve program in a manner that is consistent with a plan approved by the Secretary, as follows:

(1) Harvesting, grazing, or other commercial use of the forage in response to a drought or other emergency created by a natural disaster, without any reduction in the rental rate.

(2) Consistent with the conservation of soil, water quality, and wildlife habitat (including habitat during nesting seasons for birds in the area), and in exchange for a reduction of not less than 25 percent in the annual rental rate for the acres covered by the authorized activity—

(A) managed harvesting and other commercial use (including the managed harvesting of biomass), except that in permitting managed harvesting, the Secretary, in coordination with the State technical committee—

(i) shall develop appropriate vegetation management requirements; and

(ii) shall identify periods during which managed harvesting may be conducted, such that the frequency is not more than once every three years;

(B) routine grazing or prescribed grazing for the control of invasive species, except that in permitting such routine grazing or prescribed grazing, the Secretary, in coordination with the State technical committee—

(i) shall develop appropriate vegetation management requirements and stocking rates for the land that are suitable for continued routine grazing; and

(ii) shall identify the periods during which routine grazing may be conducted, such that the frequency is not more than once every two years, taking into consideration regional differences such as—

(I) climate, soil type, and natural resources;

(II) the number of years that should be required between routine grazing activities; and

(III) how often during a year in which routine grazing is permitted that routine grazing should be allowed to occur; and

(C) the installation of wind turbines and associated access, except that in permitting the installation of wind turbines, the Secretary shall determine the number and location of wind turbines that may be installed, taking into account—

(i) the location, size, and other physical characteristics of the land;

(ii) the extent to which the land contains wildlife and wildlife habitat; and

(iii) the purposes of the conservation reserve program under this subchapter.

(3) The intermittent and seasonal use of vegetative buffer practices incidental to agricultural production on lands adjacent to the buffer such that the permitted use does not destroy the permanent vegetative cover.

(c) AUTHORIZED ACTIVITIES ON GRASSLANDS.—For eligible land described in section 1231(b)(3), the Secretary shall permit the following activities:

(1) Common grazing practices, including maintenance and necessary cultural practices, on the land in a manner that is consistent with maintaining the viability of grassland, forb, and shrub species appropriate to that locality.

(2) Haying, mowing, or harvesting for seed production, subject to appropriate restrictions during the nesting season for critical bird species in the area.

(3) Fire presuppression, fire-related rehabilitation, and construction of fire breaks.

(4) Grazing-related activities, such as fencing and livestock watering.

(d) RESOURCE CONSERVING USE.—

(1) IN GENERAL.—Beginning on the date that is 1 year before the date of termination of a contract under the program, the Secretary shall allow an owner or operator to make conservation and land improvements that facilitate maintaining protection of enrolled land after expiration of the contract.

(2) CONSERVATION PLAN.—The Secretary shall require an owner or operator carrying out the activities described in paragraph (1) to develop and implement a conservation plan.

(3) RE-ENROLLMENT PROHIBITED.—Land improved under paragraph (1) may not be re-enrolled in the conservation reserve program for 5 years after the date of termination of the contract.

SEC. 1234. PAYMENTS.

(a) * * *

(b) FEDERAL PERCENTAGE OF COST SHARING PAYMENTS.—

(1) * * *

* * * * * * *

(3) TREES, WINDBREAKS, SHELTERBELTS, AND WILDLIFE CORRIDORS.—

(A) APPLICABILITY.—This paragraph applies to—

(i) land devoted to the production of hardwood trees, windbreaks, shelterbelts, or wildlife corridors under a contract entered into under this subchapter after November 28, 1990; *and*

[(ii) land converted to such production under section 1235A; and]

[(iii)] *(ii)* land on which an owner or operator agrees to conduct thinning authorized by section 1232(a)(9), if the thinning is necessary to improve the condition of resources on the land.

* * * * * * *

(c) ANNUAL RENTAL PAYMENTS.—

(1) IN GENERAL.—In determining the amount of annual rental payments to be paid to owners and operators for converting highly erodible cropland *or other eligible lands* normally devoted to the production of an agricultural commodity to less intensive use, the Secretary may consider, among other things, the amount necessary to encourage owners or operators of highly erodible cropland *or other eligible lands* to participate in the program established by this subchapter.

[(2) METHOD OF DETERMINATION.—The amounts payable to owners or operators in the form of rental payments under contracts entered into under this subchapter may be determined through—

[(A) the submission of bids for such contracts by owners and operators in such manner as the Secretary may prescribe; or

[(B) such other means as the Secretary determines are appropriate.]

(2) METHODS OF DETERMINATION.—

(A) IN GENERAL.—The amounts payable to owners or operators in the form of rental payments under contracts entered into under this subchapter may be determined through—

(i) the submission of bids for such contracts by owners and operators in such manner as the Secretary may prescribe; or

(ii) such other means as the Secretary determines are appropriate.

(B) GRASSLANDS.—In the case of eligible land described in section 1231(b)(3), the Secretary shall make annual payments in an amount that is not more than 75 percent of the grazing value of the land covered by the contract.

* * * * * * *

[(d) CASH OR IN-KIND PAYMENTS.—

[(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subchapter—

[(A) shall be made in cash or in commodities in such amount and on such time schedule as is agreed on and specified in the contract; and

[(B) may be made in advance of determination of performance.

[(2) METHOD OF PROVIDING IN-KIND PAYMENTS.—If the payment to an owner or operator is made with in-kind commodities, the payment shall be made by the Commodity Credit Corporation—

[(A) by delivery of the commodity involved to the owner or operator at a warehouse or other similar facility located in the county in which the highly erodible cropland is located or at such other location as is agreed to by the Secretary and the owner or operator;

[(B) by the transfer of negotiable warehouse receipts; or

[(C) by such other method, including the sale of the commodity in commercial markets, as is determined by the Secretary to be appropriate to enable the owner or operator to receive efficient and expeditious possession of the commodity.

[(3) CASH PAYMENTS.—

[(A) COMMODITY CREDIT CORPORATION STOCKS.—If stocks of a commodity acquired by the Commodity Credit Corporation are not readily available to make full payment in kind to the owner or operator, the Secretary may substitute full or partial payment in cash for payment in kind.

[(B) SPECIAL CONSERVATION RESERVE ENHANCEMENT PROGRAM.—Payments to an owner or operator under a special conservation reserve enhancement program described in subsection (f)(4) shall be in the form of cash only.]

(d) PAYMENT SCHEDULE.—

(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subchapter shall be made in cash in such amount and on such time schedule as is agreed on and specified in the contract.

(2) ADVANCE PAYMENT.—Payments under this subchapter may be made in advance of determination of performance.

* * * * * * *

(f) PAYMENT LIMITATION FOR RENTAL PAYMENTS.—

(1) IN GENERAL.—The total amount of rental payments[, including rental payments made in the form of in-kind commodities,] received by a person or legal entity, directly or indirectly, under this subchapter for any fiscal year may not exceed $50,000.

[(3) OTHER PAYMENTS.—Rental payments received by an owner or operator shall be in addition to, and not affect, the total amount of payments that the owner or operator is otherwise eligible to receive under the Farm Security and Rural Investment Act of 2002.]

[(4)] *(2)* SPECIAL CONSERVATION RESERVE ENHANCEMENT PROGRAM.—

(A) * * *

* * * * * * *

SEC. 1235. CONTRACTS.

(a) * * *

* * * * * * *

(e) EARLY TERMINATION BY OWNER OR OPERATOR.—

(1) EARLY TERMINATION.—

(A) IN GENERAL.—[The Secretary] *During fiscal year 2013, the Secretary* shall allow a participant that entered into a contract under this subchapter [before January 1, 1995,] to terminate the contract at any time if the contract has been in effect for at least 5 years.

* * * * * * *

(2) CERTAIN LAND EXCEPTED.—The following land shall not be subject to an early termination of contract under this subsection:

(A) * * *

* * * * * * *

[(C) Other land of high environmental value (including wetland), as determined by the Secretary.]

(C) Land devoted to hardwood trees.

(D) Wildlife habitat, duck nesting habitat, pollinator habitat, upland bird habitat buffer, wildlife food plots, State acres for wildlife enhancement, shallow water areas for wildlife, and rare and declining habitat.

(E) Farmable wetland and restored wetland.

(F) Land that contains diversions, erosion control structures, flood control structures, contour grass strips, living snow fences, salinity reducing vegetation, cross wind trap strips, and sediment retention structures.

(G) Land located within a federally-designated wellhead protection area.

(H) Land that is covered by an easement under the conservation reserve program.

(I) Land located within an average width, according to the applicable Natural Resources Conservation Service field office technical guide, of a perennial stream or permanent water body.

(3) EFFECTIVE DATE.—The contract termination shall become effective [60 days after the date on which the owner or operator submits the notice required under paragraph (1)(C)] *upon approval by the Secretary*.

* * * * * * *

(f) TRANSITION OPTION FOR CERTAIN FARMERS OR RANCHERS.—

(1) [DUTIES OF THE SECRETARY.—In the case of a contract modification approved in order to facilitate the transfer, as described subsection (c)(1)(B)(iii), of land to a beginning farmer] *TRANSITION TO COVERED FARMER OR RANCHER.—In the case of a contract modification approved in order to facilitate the transfer of land subject to a contract from a retired farmer or rancher to a beginning farmer* or rancher or socially disadvantaged farmer or rancher (in this subsection referred to as a "covered farmer or rancher"), the Secretary shall—

(A) beginning on the date that is 1 year before the date of termination of the contract—

(i) allow the covered farmer or rancher, in conjunction with the retired or retiring owner or operator, to

make conservation and land improvements*, including preparing to plant an agricultural crop*; and

* * * * * * *

(D) provide to the covered farmer or rancher an opportunity to enroll in the conservation stewardship program or the environmental quality incentives program by not later than the date on which [the farmer or rancher] *the covered farmer or rancher* takes possession of the land through ownership or lease; and

(E) continue to make annual payments to the retired or retiring owner or operator for not more than an additional 2 years after the date of termination of the contract, if the retired or retiring owner or operator is not a family member (as defined in [section 1001A(b)(3)(B)] *section 1001* of this Act) of the covered farmer or rancher.

(2) REENROLLMENT.—The Secretary shall provide a covered farmer or rancher with the option to reenroll any applicable partial field conservation practice that—

(A) is eligible for enrollment under the continuous signup [requirement of section 1231(h)(4)(B)] *option pursuant to section 1234(c)(2)(A)(ii)*; and

* * * * * * *

(g) FINAL YEAR OF CONTRACT.—The Secretary shall not consider an owner or operator to be in violation of a term or condition of the conservation reserve contract if—

(1) during the year prior to expiration of the contract, the land is enrolled in the conservation stewardship program; and

(2) the activity required under the conservation stewardship program pursuant to such enrollment is consistent with this subchapter.

(h) LAND ENROLLED IN AGRICULTURAL CONSERVATION EASEMENT PROGRAM.—The Secretary may terminate or modify a contract entered into under this subchapter if eligible land that is subject to such contract is transferred into the agricultural conservation easement program under subtitle H.

[SEC. 1235A. CONVERSION OF LAND SUBJECT TO CONTRACT TO OTHER CONSERVING USES.

[(a) CONVERSION TO TREES.—

[(1) IN GENERAL.—The Secretary shall permit an owner or operator that has entered into a contract under this subchapter that is in effect on November 28, 1990, to convert areas of highly erodible cropland that are subject to the contract, and that are devoted to vegetative cover, from that use to hardwood trees, windbreaks, shelterbelts, or wildlife corridors.

[(2) TERMS.—

[(A) EXTENSION OF CONTRACT.—With respect to a contract that is modified under this section that provides for the planting of hardwood trees, windbreaks, shelterbelts, or wildlife corridors, if the original term of the contract was less than 15 years, the owner or operator may extend the contract to a term of not to exceed 15 years.

[(B) COST SHARE ASSISTANCE.—The Secretary shall pay 50 percent of the cost of establishing conservation measures and practices authorized under this subsection for

which the Secretary determines the cost sharing is appropriate and in the public interest.

[(b) CONVERSION TO WETLAND.—The Secretary shall permit an owner or operator that has entered into a contract under this subchapter that is in effect on November 28, 1990, to restore areas of highly erodible cropland that are devoted to vegetative cover under the contract to wetland if—

[(1) the areas are prior converted wetland;

[(2) the owner or operator of the areas enters into an agreement to provide the Secretary with a long-term or permanent easement under subchapter C covering the areas;

[(3) there is a high probability that the prior converted area can be successfully restored to wetland status; and

[(4) the restoration of the areas otherwise meets the requirements of subchapter C.

[(c) LIMITATION.—The Secretary shall not incur, through a conversion under this section, any additional expense on the acres, including the expense involved in the original establishment of the vegetative cover, that would result in cost share for costs under this section in excess of the costs that would have been subject to cost share for the new practice had that practice been the original practice.

[(d) CONDITION OF CONTRACT.—An owner or operator shall as a condition of entering into a contract under subsection (a) participate in the Forest Stewardship Program established under section 5 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103a).]

[Subchapter C—Wetlands Reserve Program

[SEC. 1237. WETLANDS RESERVE PROGRAM.

[(a) ESTABLISHMENT AND PURPOSES.—

[(1) ESTABLISHMENT.—The Secretary shall establish a wetlands reserve program to assist owners of eligible lands in restoring and protecting wetlands.

[(2) PURPOSES.—The purposes of the wetlands reserve program are to restore, protect, or enhance wetlands on private or tribal lands that are eligible under subsections (c) and (d).

[(b) ENROLLMENT CONDITIONS.—

[(1) MAXIMUM ENROLLMENT.—The total number of acres enrolled in the wetlands reserve program shall not exceed 3,041,200 acres.

[(2) METHODS OF ENROLLMENT.—Subject to paragraph (3), the Secretary shall enroll acreage into the wetlands reserve program through the use of permanent easements, 30-year easements, restoration cost share agreements, or any combination of those options.

[(3) ACREAGE OWNED BY INDIAN TRIBES.—In the case of acreage owned by an Indian tribe, the Secretary shall enroll acreage into the wetlands reserve program through the use of—

[(A) a 30-year contract (the value of which shall be equivalent to the value of a 30-year easement);

[(B) restoration cost-share agreements; or

[(C) any combination of the options described in subparagraphs (A) and (B).

[(c) ELIGIBILITY.—For purposes of enrolling land in the wetland reserve established under this subchapter during the 1991 through 2012 fiscal years, private or tribal land shall be eligible to be placed into such reserve if the Secretary, in consultation with the Secretary of the Interior at the local level, determines that—

[(1) such land maximizes wildlife benefits and wetland values and functions;

[(2) such land is—

[(A) farmed wetland or converted wetland, together with the adjacent land that is functionally dependent on the wetlands, except that converted wetland with respect to which the conversion was not commenced prior to December 23, 1985, shall not be eligible to be enrolled in the program under this section; or

[(B) cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of a closed basin lake or pothole, as determined by the Secretary, together (where practicable) with the adjacent land that is functionally dependent on the cropland or grassland; and

[(3) the likelihood of the successful restoration of such land and the resultant wetland values merit inclusion of such land in the program taking into consideration the cost of such restoration.

[(d) OTHER ELIGIBLE LAND.—The Secretary may include in the wetland reserve established under this subchapter, together with land that is eligible under subsection (c), land that maximizes wildlife benefits and that is—

[(1) farmed wetland and adjoining lands, enrolled in the conservation reserve, with the highest wetland functions and values, and that are likely to return to production after they leave the conservation reserve;

[(2) other wetland of an owner that would not otherwise be eligible if the Secretary determines that the inclusion of such wetland in such easement would significantly add to the functional value of the easement; or

[(3) riparian areas that link wetlands that are protected by easements or some other device or circumstance that achieves the same purpose as an easement.

[(e) INELIGIBLE LAND.—The Secretary may not acquire easements on—

[(1) land that contains timber stands established under the conservation reserve under subchapter B; or

[(2) pasture land established to trees under the conservation reserve under subchapter B.

[(f) TERMINATION OF EXISTING CONTRACT.—The Secretary may terminate or modify an existing contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program established by this subchapter.

[SEC. 1237A. EASEMENTS AND AGREEMENTS.

[(a) IN GENERAL.—To be eligible to place land into the wetland reserve under this subchapter, the owner of such land shall enter into an agreement with the Secretary—

[(1) to grant an easement on such land to the Secretary;

[(2) to implement a wetland easement conservation plan as provided for in this section;

[(3) to create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to under this subchapter with respect to such lands; and

[(4) to provide a written statement of consent to such easement signed by those holding a security interest in the land.

[(b) TERMS OF EASEMENT.—An owner granting an easement under subsection (a) shall be required to provide for the restoration and protection of the functional values of wetland pursuant to a wetland easement conservation plan that—

[(1) permits—

[(A) repairs, improvements, and inspections on such land that are necessary to maintain existing public drainage systems if such land is subsequently restored to the condition required by the terms of the easement; and

[(B) landowners to control public access on the easement areas while identifying access routes to be used for wetland restoration activities and management and easement monitoring;

[(2) prohibits—

[(A) the alteration of wildlife habitat and other natural features of such land, unless specifically permitted by the plan;

[(B) the spraying of such land with chemicals or the mowing of such land, except where such spraying or mowing is permitted by the plan or is necessary—

[(i) to comply with Federal or State noxious weed control laws;

[(ii) to comply with a Federal or State emergency pest treatment program; or

[(iii) to meet habitat needs of specific wildlife species; and

[(C) any activities to be carried out on such participating landowner's or successor's land that is immediately adjacent to, and functionally related to, the land that is subject to the easement if such activities will alter, degrade, or otherwise diminish the functional value of the eligible land; and

[(D) the adoption of any other practice that would tend to defeat the purposes of this subchapter, as determined by the Secretary;

[(3) provides for the efficient and effective restoration of the functional values of wetlands; and

[(4) includes such additional provisions as the Secretary determines are desirable to carry out this subchapter or to facilitate the practical administration thereof.

[(c) RESTORATION PLANS.—The development of a restoration plan, including any compatible use, under this section shall be made through the local Natural Resources Conservation Service representative, in consultation with the State technical committee.

[(d) COMPATIBLE USES.—Wetland reserve program lands may be used for compatible economic uses, including such activities as hunting and fishing, managed timber harvest, or periodic haying or

grazing, if such use is specifically permitted by the plan and consistent with the long-term protection and enhancement of the wetlands resources for which the easement was established.

[(e) TYPE AND LENGTH OF EASEMENT.—A conservation easement granted under this section—

[(1) shall be in a recordable form; and

[(2) shall be for 30 years, permanent, or the maximum duration allowed under applicable State laws.

[(f) COMPENSATION.—

[(1) DETERMINATION.—Effective on the date of the enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall pay as compensation for a conservation easement acquired under this subchapter the lowest of—

[(A) the fair market value of the land, as determined by the Secretary, using the Uniform Standards of Professional Appraisal Practices or an area-wide market analysis or survey;

[(B) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or

[(C) the offer made by the landowner.

[(2) FORM OF PAYMENT.—Compensation for an easement shall be provided by the Secretary in the form of a cash payment, in an amount determined under paragraph (1) and specified in the easement agreement.

[(3) PAYMENT SCHEDULE FOR EASEMENTS.—

[(A) EASEMENTS VALUED AT $500,000 OR LESS.—For easements valued at $500,000 or less, the Secretary may provide easement payments in not more than 30 annual payments.

[(B) EASEMENTS IN EXCESS OF $500,000.—For easements valued at more than $500,000, the Secretary may provide easement payments in at least 5, but not more than 30 annual payments, except that, if the Secretary determines it would further the purposes of the program, the Secretary may make a lump sum payment for such an easement.

[(4) RESTORATION AGREEMENT PAYMENT LIMITATION.—Payments made to a person or legal entity, directly or indirectly, pursuant to a restoration cost-share agreement under this subchapter may not exceed, in the aggregate, $50,000 per year.

[(5) ENROLLMENT PROCEDURE.—Lands may be enrolled under this subchapter through the submission of bids under a procedure established by the Secretary.

[(g) VIOLATION.—On the violation of the terms or conditions of the easement or related agreement entered into under subsection (a), the easement shall remain in force and the Secretary may require the owner to refund all or part of any payments received by the owner under this subchapter, together with interest thereon as determined appropriate by the Secretary.

[(h) WETLANDS RESERVE ENHANCEMENT PROGRAM.—

[(1) PROGRAM AUTHORIZED.—The Secretary may enter into 1 or more agreements with a State (including a political subdivision or agency of a State), nongovernmental organization, or Indian tribe to carry out a special wetlands reserve enhancement program that the Secretary determines would advance the purposes of this subchapter.

[(2) RESERVED RIGHTS PILOT PROGRAM.—

[(A) RESERVATION OF GRAZING RIGHTS.—As part of the wetlands reserve enhancement program, the Secretary shall carry out a pilot program for land in which a landowner may reserve grazing rights in the warranty easement deed restriction if the Secretary determines that the reservation and use of the grazing rights—

[(i) is compatible with the land subject to the easement;

[(ii) is consistent with the long-term wetland protection and enhancement goals for which the easement was established; and

[(iii) complies with a conservation plan.

[(B) DURATION.—The pilot program established under this paragraph shall terminate on September 30, 2012.

[SEC. 1237B. DUTIES OF OWNERS.

[Under the terms of an agreement entered into under this subchapter, an owner and operator of the land that is subject to an easement under this subchapter shall agree to comply with the terms of the easement and related agreements and shall agree to the permanent retirement of any existing cropland base and allotment history for such land under any program administered by the Secretary.

[SEC. 1237C. DUTIES OF THE SECRETARY.

[(a) IN GENERAL.—In return for the granting of an easement by an owner under this subchapter, the Secretary shall—

[(1) share the cost of carrying out the establishment of conservation measures and practices, and the protection of the wetland functions and values, including necessary maintenance activities, as set forth in the plan to the extent that the Secretary determines that cost sharing is appropriate and in the public interest; and

[(2) provide necessary technical assistance to assist owners in complying with the terms and conditions of the easement and the plan.

[(b) COST-SHARE AND TECHNICAL ASSISTANCE.—

[(1) EASEMENTS.—Effective beginning October 1, 1996, in making cost-share payments under subsection (a)(1), the Secretary shall—

[(A) in the case of a permanent easement, pay the owner an amount that is not less than 75 percent, but not more than 100 percent, of the eligible costs; and

[(B) in the case of a 30-year easement, pay the owner an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs.

[(2) RESTORATION COST-SHARE AGREEMENTS.—In making cost-share payments in connection with a restoration cost-share agreement entered into under section 1237A(h), the Secretary shall pay the owner an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs.

[(3) TECHNICAL ASSISTANCE.—The Secretary shall provide owners with technical assistance to assist owners in complying with the terms of easements and restoration cost-share agreements.

[(c) RANKING OF OFFERS.—

[(1) CONSERVATION BENEFITS AND FUNDING CONSIDERATIONS.—When evaluating offers from landowners, the Secretary may consider—

[(A) the conservation benefits of obtaining an easement or other interest in the land;

[(B) the cost-effectiveness of each easement or other interest in eligible land, so as to maximize the environmental benefits per dollar expended; and

[(C) whether the landowner or another person is offering to contribute financially to the cost of the easement or other interest in the land to leverage Federal funds.

[(2) ADDITIONAL CONSIDERATIONS.—In determining the acceptability of easement offers, the Secretary may take into consideration—

[(A) the extent to which the purposes of the easement program would be achieved on the land;

[(B) the productivity of the land; and

[(C) the on-farm and off-farm environmental threats if the land is used for the production of agricultural commodities.

[(d) EASEMENT PRIORITY.—In carrying out this subchapter, to the extent practicable, taking into consideration costs and future agricultural and food needs, the Secretary shall give priority to obtaining permanent conservation easements before shorter term conservation easements and, in consultation with the Secretary of the Interior, shall place priority on acquiring easements based on the value of the easement for protecting and enhancing habitat for migratory birds and other wildlife.

[SEC. 1237D. PAYMENTS.

[(a) TIME OF PAYMENT.—The Secretary shall provide payment for obligations incurred by the Secretary under this subchapter—

[(1) with respect to any cost sharing obligation as soon as possible after the obligation is incurred; and

[(2) with respect to any annual easement payment obligation incurred by the Secretary as soon as possible after October 1 of each calendar year.

[(b) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this subchapter dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

[(c) PAYMENT LIMITATION.—

[(1) IN GENERAL.—The total amount of payments that a person or legal entity may receive, directly or indirectly, under this subchapter for any year may not exceed $50,000, except such limitation shall not apply with respect to payments for perpetual or 30-year easements or under 30-year contracts.

[(2) REGULATIONS.—The Secretary shall issue regulations prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation contained in this subsection.

[(3) OTHER PAYMENTS.—Easement payments received by an owner shall be in addition to, and not affect, the total amount of payments that such owner is otherwise eligible to receive under this Act, the Food, Agriculture, Conservation, and Trade Act of 1990, or the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

[(d) EXEMPTION FROM AUTOMATIC SEQUESTER.—Notwithstanding any other provision of law, no order issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (2 U.S.C. 902) shall affect any payment under this subchapter.

[SEC. 1237E. CHANGES IN OWNERSHIP; AGREEMENT MODIFICATION; TERMINATION.

[(a) LIMITATIONS.—No easement shall be created under this subchapter on land that has changed ownership during the preceding 7-year period unless—

[(1) the new ownership was acquired by will or succession as a result of the death of the previous owner;

[(2)(A) the ownership change occurred because of foreclosure on the land; and

[(B) immediately before the foreclosure, the owner of the land exercises a right of redemption from the mortgage holder in accordance with State law; or

[(3) the Secretary determines that the land was acquired under circumstances that give adequate assurances that such land was not acquired for the purposes of placing it in the program established by this subchapter.

[(b) MODIFICATION; TERMINATION.—

[(1) MODIFICATION.—The Secretary may modify an easement acquired from, or a related agreement with, an owner under this subchapter if—

[(A) the current owner agrees to such modification; and

[(B) the Secretary determines that such modification is desirable—

[(i) to carry out this subchapter;

[(ii) to facilitate the practical administration of this subchapter; or

[(iii) to achieve such other goals as the Secretary determines are appropriate and consistent with this subchapter.

[(2) TERMINATION.—

[(A) IN GENERAL.—The Secretary may terminate an easement created with an owner under this subchapter if—

[(i) the current owner agrees to such termination; and

[(ii) the Secretary determines that such termination would be in the public interest.

[(B) NOTICE.—At least 90 days before taking any action to terminate under paragraph (A) all easements entered into under this subchapter, the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

[SEC. 1237F. ADMINISTRATION, AND FUNDING.

[(a) DELEGATION OF EASEMENT ADMINISTRATION.—The Secretary may delegate any of the easement management, monitoring, and enforcement responsibilities of the Secretary to Federal or State agencies that have the appropriate authority, expertise, and resources necessary to carry out such delegated responsibilities.

[(b) REGULATIONS.—Not later than 180 days after the date of enactment of this subchapter, the Secretary shall issue such regulations as are necessary to carry out this subchapter.

[(c) PRAIRIE POTHOLE REGION SURVEY AND REALLOCATION.—

[(1) SURVEY.—The Secretary shall conduct a survey during fiscal year 2008 and each subsequent fiscal year for the purpose of determining interest and allocations for the Prairie Pothole Region to enroll eligible land described in section 1237(c)(2)(B).

[(2) ANNUAL ADJUSTMENT.—The Secretary shall make an adjustment to the allocation for an interested State for a fiscal year, based on the results of the survey conducted under paragraph (1) for the State during the previous fiscal year.]

* * * * * * *

CHAPTER 2—CONSERVATION SECURITY [AND FARMLAND PROTECTION]

* * * * * * *

[Subchapter B—Conservation Stewardship Program

[SEC. 1238D. DEFINITIONS.

[In this subchapter:

[(1) CONSERVATION ACTIVITIES.—

[(A) IN GENERAL.—The term "conservation activities" means conservation systems, practices, or management measures that are designed to address a resource concern.

[(B) INCLUSIONS.—The term "conservation activities" includes—

[(i) structural measures, vegetative measures, and land management measures, including agriculture drainage management systems, as determined by the Secretary; and

[(ii) planning needed to address a resource concern.

[(2) CONSERVATION MEASUREMENT TOOLS.—The term "conservation measurement tools" means procedures to estimate the level of environmental benefit to be achieved by a producer in implementing conservation activities, including indices or other measures developed by the Secretary.

[(3) CONSERVATION STEWARDSHIP PLAN.—The term "conservation stewardship plan" means a plan that—

[(A) identifies and inventories resource concerns;

[(B) establishes benchmark data and conservation objectives;

[(C) describes conservation activities to be implemented, managed, or improved; and

[(D) includes a schedule and evaluation plan for the planning, installation, and management of the new and existing conservation activities.

[(4) PRIORITY RESOURCE CONCERN.—The term "priority resource concern" means a resource concern that is identified at the State level, in consultation with the State Technical Committee, as a priority for a particular watershed or area of the State.

[(5) PROGRAM.—The term "program" means the conservation stewardship program established by this subchapter.

[(6) RESOURCE CONCERN.—The term "resource concern" means a specific natural resource impairment or problem, as determined by the Secretary, that—

[(A) represents a significant concern in a State or region; and

[(B) is likely to be addressed successfully through the implementation of conservation activities by producers on land eligible for enrollment in the program.

[(7) STEWARDSHIP THRESHOLD.—The term "stewardship threshold" means the level of natural resource conservation and environmental management required, as determined by the Secretary using conservation measurement tools, to improve and conserve the quality and condition of a resource concern.

[SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.

[(a) ESTABLISHMENT AND PURPOSE.—During each of fiscal years 2009 through 2014, the Secretary shall carry out a conservation stewardship program to encourage producers to address resource concerns in a comprehensive manner—

[(1) by undertaking additional conservation activities; and

[(2) by improving, maintaining and managing existing conservation activities.

[(b) ELIGIBLE LAND.—

[(1) IN GENERAL.—Except as provided in subsection (c), the following land is eligible for enrollment in the program:

[(A) Private agricultural land (including cropland, grassland, prairie land, improved pastureland, rangeland, and land used for agro-forestry).

[(B) Agricultural land under the jurisdiction of an Indian tribe.

[(C) Forested land that is an incidental part of an agricultural operation.

[(D) Other private agricultural land (including cropped woodland, marshes, and agricultural land used for the production of livestock) on which resource concerns related to agricultural production could be addressed by enrolling the land in the program, as determined by the Secretary.

[(2) SPECIAL RULE FOR NONINDUSTRIAL PRIVATE FOREST LAND.—Nonindustrial private forest land is eligible for enrollment in the program, except that not more than 10 percent of the annual acres enrolled nationally in any fiscal year may be nonindustrial private forest land.

[(3) AGRICULTURAL OPERATION.—Eligible land shall include all acres of an agricultural operation of a producer, whether or not contiguous, that are under the effective control of the producer at the time the producer enters into a stewardship contract, and is operated by the producer with equipment, labor, management, and production or cultivation practices that are

substantially separate from other agricultural operations, as determined by the Secretary.

[(c) EXCLUSIONS.—

[(1) LAND ENROLLED IN OTHER CONSERVATION PROGRAMS.—Subject to paragraph (2), the following land is not be eligible for enrollment in the program:

[(A) Land enrolled in the conservation reserve program.

[(B) Land enrolled in the wetlands reserve program.

[(C) Land enrolled in the grassland reserve program.

[(2) CONVERSION TO CROPLAND.—Land used for crop production after the date of enactment of the Food, Conservation, and Energy Act of 2008 that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding that date shall not be the basis for any payment under the program, unless the land does not meet the requirement because—

[(A) the land had previously been enrolled in the conservation reserve program;

[(B) the land has been maintained using long-term crop rotation practices, as determined by the Secretary; or

[(C) the land is incidental land needed for efficient operation of the farm or ranch, as determined by the Secretary.

[SEC. 1238F. STEWARDSHIP CONTRACTS.

[(a) SUBMISSION OF CONTRACT OFFERS.—To be eligible to participate in the conservation stewardship program, a producer shall submit to the Secretary for approval a contract offer that—

[(1) demonstrates to the satisfaction of the Secretary that the producer, at the time of the contract offer, is meeting the stewardship threshold for at least one resource concern; and

[(2) would, at a minimum, meet or exceed the stewardship threshold for at least 1 priority resource concern by the end of the stewardship contract by—

[(A) installing and adopting additional conservation activities; and

[(B) improving, maintaining, and managing conservation activities in place at the operation of the producer at the time the contract offer is accepted by the Secretary.

[(b) EVALUATION OF CONTRACT OFFERS.—

[(1) RANKING OF APPLICATIONS.—In evaluating contract offers made by producers to enter into contracts under the program, the Secretary shall rank applications based on—

[(A) the level of conservation treatment on all applicable priority resource concerns at the time of application, based to the maximum extent practicable on conservation measurement tools;

[(B) the degree to which the proposed conservation treatment on applicable priority resource concerns effectively increases conservation performance, based to the maximum extent possible on conservation measurement tools;

[(C) the number of applicable priority resource concerns proposed to be treated to meet or exceed the stewardship threshold by the end of the contract;

[(D) the extent to which other resource concerns, in addition to priority resource concerns, will be addressed to

meet or exceed the stewardship threshold by the end of the contract period; and

[(E) the extent to which the actual and anticipated environmental benefits from the contract are provided at the least cost relative to other similarly beneficial contract offers.

[(2) PROHIBITION.—The Secretary may not assign a higher priority to any application because the applicant is willing to accept a lower payment than the applicant would otherwise be eligible to receive.

[(3) ADDITIONAL CRITERIA.—The Secretary may develop and use such additional criteria for evaluating applications to enroll in the program that the Secretary determines are necessary to ensure that national, State, and local conservation priorities are effectively addressed.

[(c) ENTERING INTO CONTRACTS.—After a determination that a producer is eligible for the program under subsection (a), and a determination that the contract offer ranks sufficiently high under the evaluation criteria under subsection (b), the Secretary shall enter into a conservation stewardship contract with the producer to enroll the land to be covered by the contract.

[(d) CONTRACT PROVISIONS.—

[(1) TERM.—A conservation stewardship contract shall be for a term of 5 years.

[(2) PROVISIONS.—The conservation stewardship contract of a producer shall—

[(A) state the amount of the payment the Secretary agrees to make to the producer for each year of the conservation stewardship contract under section 1238G(e);

[(B) require the producer—

[(i) to implement during the term of the conservation stewardship contract the conservation stewardship plan approved by the Secretary;

[(ii) to maintain, and make available to the Secretary at such times as the Secretary may request, appropriate records showing the effective and timely implementation of the conservation stewardship contract; and

[(iii) not to engage in any activity during the term of the conservation stewardship contract on the eligible land covered by the contract that would interfere with the purposes of the conservation stewardship contract;

[(C) permit all economic uses of the land that—

[(i) maintain the agricultural nature of the land; and

[(ii) are consistent with the conservation purposes of the conservation stewardship contract;

[(D) include a provision to ensure that a producer shall not be considered in violation of the contract for failure to comply with the contract due to circumstances beyond the control of the producer, including a disaster or related condition, as determined by the Secretary; and

[(E) include such other provisions as the Secretary determines necessary to ensure the purposes of the program are achieved.

[(e) CONTRACT RENEWAL.—At the end of an initial conservation stewardship contract of a producer, the Secretary may allow the producer to renew the contract for one additional five-year period if the producer—

[(1) demonstrates compliance with the terms of the existing contract; and

[(2) agrees to adopt new conservation activities, as determined by the Secretary.

[(f) MODIFICATION.—The Secretary may allow a producer to modify a stewardship contract if the Secretary determines that the modification is consistent with achieving the purposes of the program.

[(g) CONTRACT TERMINATION.—

[(1) VOLUNTARY TERMINATION.—A producer may terminate a conservation stewardship contract if the Secretary determines that termination would not defeat the purposes of the program.

[(2) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract under this subchapter if the Secretary determines that the producer violated the contract.

[(3) REPAYMENT.—If a contract is terminated, the Secretary may, consistent with the purposes of the program—

[(A) allow the producer to retain payments already received under the contract; or

[(B) require repayment, in whole or in part, of payments already received and assess liquidated damages.

[(4) CHANGE OF INTEREST IN LAND SUBJECT TO A CONTRACT.—

[(A) IN GENERAL.—Except as provided in paragraph (B), a change in the interest of a producer in land covered by a contract under this chapter shall result in the termination of the contract with regard to that land.

[(B) TRANSFER OF DUTIES AND RIGHTS.—Subparagraph (A) shall not apply if—

[(i) within a reasonable period of time (as determined by the Secretary) after the date of the change in the interest in land covered by a contract under the program, the transferee of the land provides written notice to the Secretary that all duties and rights under the contract have been transferred to, and assumed by, the transferee; and

[(ii) the transferee meets the eligibility requirements of the program.

[(h) COORDINATION WITH ORGANIC CERTIFICATION.—The Secretary shall establish a transparent means by which producers may initiate organic certification under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et. seq.) while participating in a contract under this subchapter.

[(i) ON-FARM RESEARCH AND DEMONSTRATION OR PILOT TESTING.—The Secretary may approve a contract offer under this subchapter that includes—

[(1) on-farm conservation research and demonstration activities; and

[(2) pilot testing of new technologies or innovative conservation practices.

[SEC. 1238G. DUTIES OF THE SECRETARY.

[(a) IN GENERAL.—To achieve the conservation goals of a contract under the conservation stewardship program, the Secretary shall—

[(1) make the program available to eligible producers on a continuous enrollment basis with 1 or more ranking periods, one of which shall occur in the first quarter of each fiscal year;

[(2) identify not less than 3 nor more than 5 priority resource concerns in a particular watershed or other appropriate region or area within a State; and

[(3) develop reliable conservation measurement tools for purposes of carrying out the program.

[(b) ALLOCATION TO STATES.—The Secretary shall allocate acres to States for enrollment, based—

[(1) primarily on each State's proportion of eligible acres under section 1238E(b)(1) to the total number of eligible acres in all States; and

[(2) also on consideration of—

[(A) the extent and magnitude of the conservation needs associated with agricultural production in each State;

[(B) the degree to which implementation of the program in the State is, or will be, effective in helping producers address those needs; and

[(C) other considerations to achieve equitable geographic distribution of funds, as determined by the Secretary.

[(c) SPECIALTY CROP AND ORGANIC PRODUCERS.—The Secretary shall ensure that outreach and technical assistance are available, and program specifications are appropriate to enable specialty crop and organic producers to participate in the program.

[(d) ACREAGE ENROLLMENT LIMITATION.—During the period beginning on October 1, 2008, and ending on September 30, 2017, the Secretary shall, to the maximum extent practicable—

[(1) enroll in the program an additional 12,769,000 acres for each fiscal year; and

[(2) manage the program to achieve a national average rate of $18 per acre, which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program.

[(e) CONSERVATION STEWARDSHIP PAYMENTS.—

[(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide a payment under the program to compensate the producer for—

[(A) installing and adopting additional conservation activities; and

[(B) improving, maintaining, and managing conservation activities in place at the operation of the producer at the time the contract offer is accepted by the Secretary.

[(2) PAYMENT AMOUNT.—The amount of the conservation stewardship payment shall be determined by the Secretary and based, to the maximum extent practicable, on the following factors:

[(A) Costs incurred by the producer associated with planning, design, materials, installation, labor, management, maintenance, or training.

[(B) Income forgone by the producer.

[(C) Expected environmental benefits as determined by conservation measurement tools.

[(3) EXCLUSIONS.—A payment to a producer under this subsection shall not be provided for—

[(A) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations; or

[(B) conservation activities for which there is no cost incurred or income forgone to the producer.

[(4) TIMING OF PAYMENTS.—

[(A) IN GENERAL.—The Secretary shall make payments as soon as practicable after October 1 of each fiscal year for activities carried out in the previous fiscal year.

[(B) ADDITIONAL ACTIVITIES.—The Secretary shall make payments to compensate producers for installation of additional practices at the time at which the practices are installed and adopted.

[(f) SUPPLEMENTAL PAYMENTS FOR RESOURCE-CONSERVING CROP ROTATIONS.—

[(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide additional payments to producers that, in participating in the program, agree to adopt resource-conserving crop rotations to achieve beneficial crop rotations as appropriate for the land of the producers.

[(2) BENEFICIAL CROP ROTATIONS.—The Secretary shall determine whether a resource-conserving crop rotation is a beneficial crop rotation eligible for additional payments under paragraph (1), based on whether the resource-conserving crop rotation is designed to provide natural resource conservation and production benefits.

[(3) ELIGIBILITY.—To be eligible to receive a payment described in paragraph (1), a producer shall agree to adopt and maintain beneficial resource-conserving crop rotations for the term of the contract.

[(4) RESOURCE-CONSERVING CROP ROTATION.—In this subsection, the term "resource-conserving crop rotation" means a crop rotation that—

[(A) includes at least 1 resource conserving crop (as defined by the Secretary);

[(B) reduces erosion;

[(C) improves soil fertility and tilth;

[(D) interrupts pest cycles; and

[(E) in applicable areas, reduces depletion of soil moisture or otherwise reduces the need for irrigation.

[(g) PAYMENT LIMITATIONS.—A person or legal entity may not receive, directly or indirectly, payments under this subchapter that, in the aggregate, exceed $200,000 for all contracts entered into during any 5-year period, excluding funding arrangements with federally recognized Indian tribes or Alaska Native corporations, regard-

less of the number of contracts entered into under the program by the person or entity.

[(h) REGULATIONS.—The Secretary shall promulgate regulations that—

[(1) prescribe such other rules as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under subsection (g); and

[(2) otherwise enable the Secretary to carry out the program.

[(i) DATA.—The Secretary shall maintain detailed and segmented data on contracts and payments under the program to allow for quantification of the amount of payments made for—

[(1) the installation and adoption of additional conservation activities and improvements to conservation activities in place on the operation of a producer at the time the conservation stewardship offer is accepted by the Secretary;

[(2) participation in research, demonstration, and pilot projects; and

[(3) the development and periodic assessment and evaluation of conservation plans developed under this subchapter.

[Subchapter C—Farmland Protection Program

[SEC. 1238H. DEFINITIONS.

[In this subchapter:

[(1) ELIGIBLE ENTITY.—The term "eligible entity" means—

[(A) any agency of any State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law); or

[(B) any organization that—

[(i) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

[(ii) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; and

[(iii) is—

[(I) described in paragraph (1) or (2) of section 509(a) of that Code; or

[(II) described in section 509(a)(3), and is controlled by an organization described in section 509(a)(2), of that Code.

[(2) ELIGIBLE LAND.—

[(A) IN GENERAL.—The term "eligible land" means land on a farm or ranch that is subject to a pending offer for purchase from an eligible entity and—

[(i) has prime, unique, or other productive soil;

[(ii) contains historical or archaeological resources; or

[(iii) the protection of which will further a State or local policy consistent with the purposes of the program.

[(B) INCLUSIONS.—The term "eligible land" includes, on a farm or ranch—

[(i) cropland;

[(ii) rangeland;
[(iii) grassland;
[(iv) pasture land;
[(v) forest land that—
[(I) contributes to the economic viability of an agricultural operation; or
[(II) serves as a buffer to protect an agricultural operation from development; and
[(vi) land that is incidental to land described in clauses (i) through (v), if such land is necessary for the efficient administration of a conservation easement, as determined by the Secretary.

[(3) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

[(4) PROGRAM.—The term "program" means the farmland protection program established under section 1238I(a).

[SEC. 1238I. FARMLAND PROTECTION PROGRAM.

[(a) ESTABLISHMENT.—The Secretary shall establish and carry out a farmland protection program under which the Secretary shall facilitate and provide funding for the purchase of conservation easements or other interests in eligible land.

[(b) PURPOSE.—The purpose of the program is to protect the agricultural use and related conservation values of eligible land by limiting nonagricultural uses of that land.

[(c) COST-SHARE ASSISTANCE.—

[(1) PROVISION OF ASSISTANCE.—The Secretary shall provide cost-share assistance to eligible entities for purchasing a conservation easement or other interest in eligible land.

[(2) FEDERAL SHARE.—The share of the cost provided by the Secretary for purchasing a conservation easement or other interest in eligible land shall not exceed 50 percent of the appraised fair market value of the conservation easement or other interest in eligible land.

[(3) NON-FEDERAL SHARE.—

[(A) SHARE PROVIDED BY ELIGIBLE ENTITY.—The eligible entity shall provide a share of the cost of purchasing a conservation easement or other interest in eligible land in an amount that is not less than 25 percent of the acquisition purchase price.

[(B) LANDOWNER CONTRIBUTION.—As part of the non-Federal share of the cost of purchasing a conservation easement or other interest in eligible land, an eligible entity may include a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the private landowner from which the conservation easement or other interest in land will be purchased.

[(d) DETERMINATION OF FAIR MARKET VALUE.—Effective on the date of enactment of the Food, Conservation, and Energy Act of 2008, the fair market value of the conservation easement or other interest in eligible land shall be determined on the basis of an appraisal using an industry approved method, selected by the eligible entity and approved by the Secretary.

[(e) BIDDING DOWN PROHIBITED.—If the Secretary determines that 2 or more applications for cost-share assistance are comparable in achieving the purpose of the program, the Secretary shall not assign a higher priority to any 1 of those applications solely on the basis of lesser cost to the program.

[(f) CONDITION ON ASSISTANCE.—

[(1) CONSERVATION PLAN.—Any highly erodible cropland for which a conservation easement or other interest is purchased using cost-share assistance provided under the program shall be subject to a conservation plan that requires, at the option of the Secretary, the conversion of the cropland to less intensive uses.

[(2) CONTINGENT RIGHT OF ENFORCEMENT.—The Secretary shall require the inclusion of a contingent right of enforcement for the Secretary in the terms of a conservation easement or other interest in eligible land that is purchased using cost-share assistance provided under the program.

[(g) AGREEMENTS WITH ELIGIBLE ENTITIES.—

[(1) IN GENERAL.—The Secretary shall enter into agreements with eligible entities to stipulate the terms and conditions under which the eligible entity is permitted to use cost-share assistance provided under subsection (c).

[(2) LENGTH OF AGREEMENTS.—An agreement under this subsection shall be for a term that is—

[(A) in the case of an eligible entity certified under the process described in subsection (h), a minimum of five years; and

[(B) for all other eligible entities, at least three, but not more than five years.

[(3) SUBSTITUTION OF QUALIFIED PROJECTS.—An agreement shall allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of the proposed substitution.

[(4) MINIMUM REQUIREMENTS.—An eligible entity shall be authorized to use its own terms and conditions, as approved by the Secretary, for conservation easements and other purchases of interests in land, so long as such terms and conditions—

[(A) are consistent with the purposes of the program;

[(B) permit effective enforcement of the conservation purposes of such easements or other interests; and

[(C) include a limit on the impervious surfaces to be allowed that is consistent with the agricultural activities to be conducted.

[(5) EFFECT OF VIOLATION.—If a violation occurs of a term or condition of an agreement entered into under this subsection—

[(A) the agreement shall remain in force; and

[(B) the Secretary may require the eligible entity to refund all or part of any payments received by the entity under the program, with interest on the payments as determined appropriate by the Secretary.

[(h) CERTIFICATION OF ELIGIBLE ENTITIES.—

[(1) CERTIFICATION PROCESS.—The Secretary shall establish a process under which the Secretary may—

[(A) directly certify eligible entities that meet established criteria;

[(B) enter into long-term agreements with certified entities, as authorized by subsection (g)(2)(A); and

[(C) accept proposals for cost-share assistance to certified entities for the purchase of conservation easements or other interests in eligible land throughout the duration of such agreements.

[(2) CERTIFICATION CRITERIA.—In order to be certified, an eligible entity shall demonstrate to the Secretary that the entity will maintain, at a minimum, for the duration of the agreement—

[(A) a plan for administering easements that is consistent with the purpose of this subchapter;

[(B) the capacity and resources to monitor and enforce conservation easements or other interests in land; and

[(C) policies and procedures to ensure—

[(i) the long-term integrity of conservation easements or other interests in eligible land;

[(ii) timely completion of acquisitions of easements or other interests in eligible land; and

[(iii) timely and complete evaluation and reporting to the Secretary on the use of funds provided by the Secretary under the program.

[(3) REVIEW AND REVISION.—

[(A) REVIEW.—The Secretary shall conduct a review of eligible entities certified under paragraph (1) every three years to ensure that such entities are meeting the criteria established under paragraph (2).

[(B) REVOCATION.—If the Secretary finds that the certified entity no longer meets the criteria established under paragraph (2), the Secretary may—

[(i) allow the certified entity a specified period of time, at a minimum 180 days, in which to take such actions as may be necessary to meet the criteria; and

[(ii) revoke the certification of the entity, if after the specified period of time, the certified entity does not meet the criteria established in paragraph (2).

[SEC. 1238J. FARM VIABILITY PROGRAM.

[(a) IN GENERAL.—The Secretary may provide to eligible entities identified by the Secretary grants for use in carrying out farm viability programs developed by the eligible entities and approved by the Secretary.

[(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section such sums as are necessary for each of fiscal years 2002 through 2012.

[Subchapter D—Grassland Reserve Program

[SEC. 1238N. GRASSLAND RESERVE PROGRAM.

[(a) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish a grassland reserve program (referred to in this subchapter as the "program") for the purpose of assisting owners and operators in protecting grazing uses and related conservation values by restoring and conserving eligible land through rental contracts, easements, and restoration agreements.

[(b) ENROLLMENT OF ACREAGE.—

[(1) ACREAGE ENROLLED.—The Secretary shall enroll an additional 1,220,000 acres of eligible land in the program during fiscal years 2009 through 2012.

[(2) METHODS OF ENROLLMENT.—The Secretary shall enroll eligible land in the program through the use of;

[(A) a 10-year, 15-year, or 20-year rental contract;

[(B) a permanent easement; or

[(C) in a State that imposes a maximum duration for easements, an easement for the maximum duration allowed under the law of that State.

[(3) LIMITATION.—Of the total amount of funds expended under the program to acquire rental contracts and easements described in paragraph (2), the Secretary shall use, to the extent practicable—

[(A) 40 percent for rental contacts; and

[(B) 60 percent for easements.

[(4) ENROLLMENT OF CONSERVATION RESERVE LAND.—

[(A) PRIORITY.—Upon expiration of a contract under subchapter B of chapter 1 of this subtitle, the Secretary shall give priority for enrollment in the program to land previously enrolled in the conservation reserve program if—

[(i) the land is eligible land, as defined in subsection (c); and

[(ii) the Secretary determines that the land is of high ecological value and under significant threat of conversion to uses other than grazing.

[(B) MAXIMUM ENROLLMENT.—The number of acres of land enrolled under the priority described in subparagraph (A) in a calendar year shall not exceed 10 percent of the total number of acres enrolled in the program in that calendar year.

[(c) ELIGIBLE LAND DEFINED.—For purposes of the program, the term "eligible land" means private or tribal land that—

[(1) is grassland, land that contains forbs, or shrubland (including improved rangeland and pastureland) for which grazing is the predominant use;

[(2) is located in an area that has been historically dominated by grassland, forbs, or shrubland, and the land—

[(A) could provide habitat for animal or plant populations of significant ecological value if the land—

[(i) is retained in its current use; or

[(ii) is restored to a natural condition;

[(B) contains historical or archaeological resources; or

[(C) would address issues raised by State, regional, and national conservation priorities; or

[(3) is incidental to land described in paragraph (1) or (2), if the incidental land is determined by the Secretary to be necessary for the efficient administration of a rental contract or easement under the program.

[SEC. 1238O. DUTIES OF OWNERS AND OPERATORS.

[(a) RENTAL CONTRACTS.—To be eligible to enroll eligible land in the program under a rental contract, the owner or operator of the land shall agree—

[(1) to comply with the terms of the contract and, when applicable, a restoration agreement;

[(2) to suspend any existing cropland base and allotment history for the land under another program administered by the Secretary; and

[(3) to implement a grazing management plan, as approved by the Secretary, which may be modified upon mutual agreement of the parties.

[(b) EASEMENTS.—To be eligible to enroll eligible land in the program through an easement, the owner of the land shall agree—

[(1) to grant an easement to the Secretary or to an eligible entity described in section 1238Q;

[(2) to create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement;

[(3) to provide a written statement of consent to the easement signed by persons holding a security interest or any vested interest in the land;

[(4) to provide proof of unencumbered title to the underlying fee interest in the land that is the subject of the easement;

[(5) to comply with the terms of the easement and, when applicable, a restoration agreement;

[(6) to implement a grazing management plan, as approved by the Secretary, which may be modified upon mutual agreement of the parties; and

[(7) to eliminate any existing cropland base and allotment history for the land under another program administered by the Secretary.

[(c) RESTORATION AGREEMENTS.—

[(1) WHEN APPLICABLE.—To be eligible for cost-share assistance to restore eligible land subject to a rental contract or an easement under the program, the owner or operator of the land shall agree to comply with the terms of a restoration agreement.

[(2) TERMS AND CONDITIONS.—The Secretary shall prescribe the terms and conditions of a restoration agreement by which eligible land that is subject to a rental contract or easement under the program shall be restored.

[(3) DUTIES.—The restoration agreement shall describe the respective duties of the owner or operator and the Secretary, including the Federal share of restoration payments and technical assistance.

[(d) TERMS AND CONDITIONS APPLICABLE TO RENTAL CONTRACTS AND EASEMENTS.—

[(1) PERMISSIBLE ACTIVITIES.—The terms and conditions of a rental contract or easement under the program shall permit—

[(A) common grazing practices, including maintenance and necessary cultural practices, on the land in a manner that is consistent with maintaining the viability of grassland, forb, and shrub species appropriate to that locality;

[(B) haying, mowing, or harvesting for seed production, subject to appropriate restrictions during the nesting season for birds in the local area that are in significant decline or are conserved in accordance with Federal or State law, as determined by the State Conservationist;

[(C) fire presuppression, rehabilitation, and construction of fire breaks; and

[(D) grazing related activities, such as fencing and livestock watering.

[(2) PROHIBITIONS.—The terms and conditions of a rental contract or easement under the program shall prohibit—

[(A) the production of crops (other than hay), fruit trees, vineyards, or any other agricultural commodity that is inconsistent with maintaining grazing land; and

[(B) except as permitted under a restoration plan, the conduct of any other activity that would be inconsistent with maintaining grazing land enrolled in the program.

[(3) ADDITIONAL TERMS AND CONDITIONS.—A rental contract or easement under the program shall include such additional provisions as the Secretary determines are appropriate to carry out or facilitate the purposes and administration of the program.

[(e) VIOLATIONS.—On a violation of the terms or conditions of a rental contract, easement, or restoration agreement entered into under this section—

[(1) the contract or easement shall remain in force; and

[(2) the Secretary may require the owner or operator to refund all or part of any payments received under the program, with interest on the payments as determined appropriate by the Secretary.

[SEC. 1238P. DUTIES OF SECRETARY.

[(a) EVALUATION AND RANKING OF APPLICATIONS.—

[(1) CRITERIA.—The Secretary shall establish criteria to evaluate and rank applications for rental contracts and easements under the program.

[(2) CONSIDERATIONS.—In establishing the criteria, the Secretary shall emphasize support for—

[(A) grazing operations;

[(B) plant and animal biodiversity; and

[(C) grassland, land that contains forbs, and shrubland under the greatest threat of conversion to uses other than grazing.

[(b) PAYMENTS.—

[(1) IN GENERAL.—In return for the execution of a rental contract or the granting of an easement by an owner or operator under the program, the Secretary shall—

[(A) make rental contract or easement payments to the owner or operator in accordance with paragraphs (2) and (3); and

[(B) make payments to the owner or operator under a restoration agreement for the Federal share of the cost of restoration in accordance with paragraph (4).

[(2) RENTAL CONTRACT PAYMENTS.—

[(A) PERCENTAGE OF GRAZING VALUE OF LAND.—In return for the execution of a rental contract by an owner or operator under the program, the Secretary shall make annual payments during the term of the contract in an amount, subject to subparagraph (B), that is not more than 75 percent of the grazing value of the land covered by the contract.

[(B) PAYMENT LIMITATION.—Payments made under 1 or more rental contracts to a person or legal entity, directly or indirectly, may not exceed, in the aggregate, $50,000 per year.

[(3) EASEMENT PAYMENTS.—

[(A) IN GENERAL.—Subject to subparagraph (B), in return for the granting of an easement by an owner under the program, the Secretary shall make easement payments in an amount not to exceed the fair market value of the land less the grazing value of the land encumbered by the easement.

[(B) METHOD FOR DETERMINATION OF COMPENSATION.—In making a determination under subparagraph (A), the Secretary shall pay as compensation for a easement acquired under the program the lowest of—

[(i) the fair market value of the land encumbered by the easement, as determined by the Secretary, using—

[(I) the Uniform Standards of Professional Appraisal Practices; or

[(II) an area-wide market analysis or survey;

[(ii) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or

[(iii) the offer made by the landowner.

[(C) SCHEDULE.—Easement payments may be provided in up to 10 annual payments of equal or unequal amount, as agreed to by the Secretary and the owner.

[(4) RESTORATION AGREEMENT PAYMENTS.—

[(A) FEDERAL SHARE OF RESTORATION.—The Secretary shall make payments to an owner or operator under a restoration agreement of not more than 50 percent of the costs of carrying out measures and practices necessary to restore functions and values of that land.

[(B) PAYMENT LIMITATION.—Payments made under 1 or more restoration agreements to a person or legal entity, directly or indirectly, may not exceed, in the aggregate, $50,000 per year.

[(5) PAYMENTS TO OTHERS.—If an owner or operator who is entitled to a payment under the program dies, becomes incompetent, is otherwise unable to receive the payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all the circumstances.

[SEC. 1238Q. DELEGATION OF DUTY.

[(a) AUTHORITY TO DELEGATE.—The Secretary may delegate a duty under the program—

[(1) by transferring title of ownership to an easement to an eligible entity to hold and enforce; or

[(2) by entering into a cooperative agreement with an eligible entity for the eligible entity to own, write, and enforce an easement.

[(b) ELIGIBLE ENTITY DEFINED.—In this section, the term "eligible entity" means—

[(1) an agency of State or local government or an Indian tribe; or

[(2) an organization that—

[(A) is organized for, and at all times since the formation of the organization has been operated principally for, one or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

[(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; and

[(C) is described in—

[(i) paragraph (1) or (2) of section 509(a) of that Code; or

[(ii) in section 509(a)(3) of that Code, and is controlled by an organization described in section 509(a)(2) of that Code.

[(c) TRANSFER OF TITLE OF OWNERSHIP.—

[(1) TRANSFER.—The Secretary may transfer title of ownership to an easement to an eligible entity to hold and enforce, in lieu of the Secretary, subject to the right of the Secretary to conduct periodic inspections and enforce the easement, if—

[(A) the Secretary determines that the transfer will promote protection of grassland, land that contains forbs, or shrubland;

[(B) the owner authorizes the eligible entity to hold or enforce the easement; and

[(C) the eligible entity agrees to assume the costs incurred in administering and enforcing the easement, including the costs of restoration or rehabilitation of the land as specified by the owner and the eligible entity.

[(2) APPLICATION.—An eligible entity that seeks to hold and enforce an easement shall apply to the Secretary for approval.

[(3) APPROVAL BY SECRETARY.—The Secretary may approve an application described in paragraph (2) if the eligible entity—

[(A) has the relevant experience necessary, as appropriate for the application, to administer an easement on grassland, land that contains forbs, or shrubland;

[(B) has a charter that describes a commitment to conserving ranchland, agricultural land, or grassland for grazing and conservation purposes; and

[(C) has the resources necessary to effectuate the purposes of the charter.

[(d) COOPERATIVE AGREEMENTS.—

[(1) AUTHORIZED; TERMS AND CONDITIONS.—The Secretary shall establish the terms and conditions of a cooperative agreement under which an eligible entity shall use funds provided by the Secretary to own, write, and enforce an easement, in lieu of the Secretary.

[(2) MINIMUM REQUIREMENTS.—At a minimum, the cooperative agreement shall—

[(A) specify the qualification of the eligible entity to carry out the entity's responsibilities under the program, including acquisition, monitoring, enforcement, and imple-

mentation of management policies and procedures that ensure the long-term integrity of the easement protections;

[(B) require the eligible entity to assume the costs incurred in administering and enforcing the easement, including the costs of restoration or rehabilitation of the land as specified by the owner and the eligible entity;

[(C) specify the right of the Secretary to conduct periodic inspections to verify the eligible entity's enforcement of the easement;

[(D) subject to subparagraph (E), identify a specific project or a range of projects to be funded under the agreement;

[(E) allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of substitution;

[(F) specify the manner in which the eligible entity will evaluate and report the use of funds to the Secretary;

[(G) allow the eligible entity flexibility to develop and use terms and conditions for easements, if the Secretary finds the terms and conditions consistent with the purposes of the program and adequate to enable effective enforcement of the easements;

[(H) if applicable, allow an eligible entity to include a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the landowner from which the easement will be purchased as part of the entity's share of the cost to purchase an easement; and

[(I) provide for a schedule of payments to an eligible entity, as agreed to by the Secretary and the eligible entity.

[(3) COST SHARING.—

[(A) IN GENERAL.—As part of a cooperative agreement with an eligible entity under this subsection, the Secretary may provide a share of the purchase price of an easement under the program.

[(B) MINIMUM SHARE BY ELIGIBLE ENTITY.—The eligible entity shall be required to provide a share of the purchase price at least equivalent to that provided by the Secretary.

[(C) PRIORITY.—The Secretary may accord a higher priority to proposals from eligible entities that leverage a greater share of the purchase price of the easement.

[(4) VIOLATION.—If an eligible entity violates the terms or conditions of a cooperative agreement entered into under this subsection—

[(A) the cooperative agreement shall remain in force; and

[(B) the Secretary may require the eligible entity to refund all or part of any payments received by the eligible entity under the program, with interest on the payments as determined appropriate by the Secretary.

[(e) PROTECTION OF FEDERAL INVESTMENT.—When delegating a duty under this section, the Secretary shall ensure that the terms of an easement include a contingent right of enforcement for the Department.]

Subchapter B—Conservation Stewardship Program

SEC. 1238D. DEFINITIONS.

In this subchapter:

(1) AGRICULTURAL OPERATION.—The term "agricultural operation" means all eligible land, whether or not contiguous, that is—

(A) under the effective control of a producer at the time the producer enters into a contract under the program; and

(B) operated with equipment, labor, management, and production or cultivation practices that are substantially separate from other agricultural operations, as determined by the Secretary.

(2) CONSERVATION ACTIVITIES.—

(A) IN GENERAL.—The term "conservation activities" means conservation systems, practices, or management measures.

(B) INCLUSIONS.—The term "conservation activities" includes—

(i) structural measures, vegetative measures, and land management measures, including agriculture drainage management systems, as determined by the Secretary; and

(ii) planning needed to address a priority resource concern.

(3) CONSERVATION STEWARDSHIP PLAN.—The term "conservation stewardship plan" means a plan that—

(A) identifies and inventories priority resource concerns;

(B) establishes benchmark data and conservation objectives;

(C) describes conservation activities to be implemented, managed, or improved; and

(D) includes a schedule and evaluation plan for the planning, installation, and management of the new and existing conservation activities.

(4) ELIGIBLE LAND.—

(A) IN GENERAL.—The term "eligible land" means—

(i) private or tribal land on which agricultural commodities, livestock, or forest-related products are produced; and

(ii) lands associated with the land described in clause (i) on which priority resource concerns could be addressed through a contract under the program.

(B) INCLUSIONS.—The term "eligible land" includes—

(i) cropland;

(ii) grassland;

(iii) rangeland;

(iv) pasture land;

(v) nonindustrial private forest land; and

(vi) other agricultural areas (including cropped woodland, marshes, and agricultural land used or capable of being used for the production of livestock), as determined by the Secretary.

(5) PRIORITY RESOURCE CONCERN.—The term "priority resource concern" means a natural resource concern or problem, as determined by the Secretary, that—

(A) is identified at the national, State, or local level as a priority for a particular area of a State;

(B) represents a significant concern in a State or region; and

(C) is likely to be addressed successfully through the implementation of conservation activities under this program.

(6) PROGRAM.—The term "program" means the conservation stewardship program established by this subchapter.

(7) STEWARDSHIP THRESHOLD.—The term "stewardship threshold" means the level of management required, as determined by the Secretary, to conserve and improve the quality and condition of a natural resource.

SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.

(a) ESTABLISHMENT AND PURPOSE.—During each of fiscal years 2013 through 2017, the Secretary shall carry out a conservation stewardship program to encourage producers to address priority resource concerns in a comprehensive manner—

(1) by undertaking additional conservation activities; and

(2) by improving, maintaining, and managing existing conservation activities.

(b) EXCLUSIONS.—

(1) LAND ENROLLED IN OTHER CONSERVATION PROGRAMS.—Subject to paragraph (2), the following land (even if covered by the definition of eligible land) is not eligible for enrollment in the program:

(A) Land enrolled in the conservation reserve program, unless—

(i) the conservation reserve contract will expire at the end of the fiscal year in which the land is to be enrolled in the program; and

(ii) conservation reserve program payments for land enrolled in the program cease before the first program payment is made to the applicant under this subchapter.

(B) Land enrolled in a wetland easement through the agricultural conservation easement program.

(C) Land enrolled in the conservation security program.

(2) CONVERSION TO CROPLAND.—Eligible land used for crop production after October 1, 2012, that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding that date shall not be the basis for any payment under the program, unless the land does not meet the requirement because—

(A) the land had previously been enrolled in the conservation reserve program;

(B) the land has been maintained using long-term crop rotation practices, as determined by the Secretary; or

(C) the land is incidental land needed for efficient operation of the farm or ranch, as determined by the Secretary.

SEC. 1238F. STEWARDSHIP CONTRACTS.

(a) SUBMISSION OF CONTRACT OFFERS.—To be eligible to participate in the conservation stewardship program, a producer shall submit to the Secretary a contract offer for the agricultural operation that—

(1) demonstrates to the satisfaction of the Secretary that the producer, at the time of the contract offer, meets or exceeds the stewardship threshold for at least 2 priority resource concerns; and

(2) would, at a minimum, meet or exceed the stewardship threshold for at least 1 additional priority resource concern by the end of the stewardship contract by—

(A) installing and adopting additional conservation activities; and

(B) improving, maintaining, and managing existing conservation activities across the entire agricultural operation in a manner that increases or extends the conservation benefits in place at the time the contract offer is accepted by the Secretary.

(b) EVALUATION OF CONTRACT OFFERS.—

(1) RANKING OF APPLICATIONS.—In evaluating contract offers submitted under subsection (a), the Secretary shall rank applications based on—

(A) the level of conservation treatment on all applicable priority resource concerns at the time of application;

(B) the degree to which the proposed conservation activities effectively increase conservation performance;

(C) the number of applicable priority resource concerns proposed to be treated to meet or exceed the stewardship threshold by the end of the contract;

(D) the extent to which other priority resource concerns will be addressed to meet or exceed the stewardship threshold by the end of the contract period;

(E) the extent to which the actual and anticipated conservation benefits from the contract are provided at the least cost relative to other similarly beneficial contract offers; and

(F) the extent to which priority resource concerns will be addressed when transitioning from the conservation reserve program to agricultural production.

(2) PROHIBITION.—The Secretary may not assign a higher priority to any application because the applicant is willing to accept a lower payment than the applicant would otherwise be eligible to receive.

(3) ADDITIONAL CRITERIA.—The Secretary may develop and use such additional criteria that the Secretary determines are necessary to ensure that national, State, and local priority resource concerns are effectively addressed.

(c) ENTERING INTO CONTRACTS.—After a determination that a producer is eligible for the program under subsection (a), and a determination that the contract offer ranks sufficiently high under the evaluation criteria under subsection (b), the Secretary shall enter into a conservation stewardship contract with the producer to enroll the eligible land to be covered by the contract.

(d) CONTRACT PROVISIONS.—

(1) TERM.—A conservation stewardship contract shall be for a term of 5 years.

(2) REQUIRED PROVISIONS.—The conservation stewardship contract of a producer shall—

(A) state the amount of the payment the Secretary agrees to make to the producer for each year of the conservation stewardship contract under section 1238G(d);

(B) require the producer—

(i) to implement a conservation stewardship plan that describes the program purposes to be achieved through 1 or more conservation activities;

(ii) to maintain and supply information as required by the Secretary to determine compliance with the conservation stewardship plan and any other requirements of the program; and

(iii) not to conduct any activities on the agricultural operation that would tend to defeat the purposes of the program;

(C) permit all economic uses of the eligible land that—

(i) maintain the agricultural nature of the land; and

(ii) are consistent with the conservation purposes of the conservation stewardship contract;

(D) include a provision to ensure that a producer shall not be considered in violation of the contract for failure to comply with the contract due to circumstances beyond the control of the producer, including a disaster or related condition, as determined by the Secretary;

(E) include provisions requiring that upon the violation of a term or condition of the contract at any time the producer has control of the land—

(i) if the Secretary determines that the violation warrants termination of the contract—

(I) the producer shall forfeit all rights to receive payments under the contract; and

(II) the producer shall refund all or a portion of the payments received by the producer under the contract, including any interest on the payments, as determined by the Secretary; or

(ii) if the Secretary determines that the violation does not warrant termination of the contract, the producer shall refund or accept adjustments to the payments provided to the producer, as the Secretary determines to be appropriate;

(F) include provisions in accordance with paragraphs (3) and (4) of this section; and

(G) include any additional provisions the Secretary determines are necessary to carry out the program.

(3) CHANGE OF INTEREST IN LAND SUBJECT TO A CONTRACT.—

(A) IN GENERAL.—At the time of application, a producer shall have control of the eligible land to be enrolled in the program. Except as provided in subparagraph (B), a change in the interest of a producer in eligible land covered by a contract under the program shall result in the termination of the contract with regard to that land.

(B) TRANSFER OF DUTIES AND RIGHTS.—Subparagraph (A) shall not apply if—

(i) within a reasonable period of time (as determined by the Secretary) after the date of the change in the interest in eligible land covered by a contract under the program, the transferee of the land provides written notice to the Secretary that all duties and rights under the contract have been transferred to, and assumed by, the transferee for the portion of the land transferred;

(ii) the transferee meets the eligibility requirements of the program; and

(iii) the Secretary approves the transfer of all duties and rights under the contract.

(4) MODIFICATION AND TERMINATION OF CONTRACTS.—

(A) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract with a producer if—

(i) the producer agrees to the modification or termination; and

(ii) the Secretary determines that the modification or termination is in the public interest.

(B) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract if the Secretary determines that the producer violated the contract.

(5) REPAYMENT.—If a contract is terminated, the Secretary may, consistent with the purposes of the program—

(A) allow the producer to retain payments already received under the contract; or

(B) require repayment, in whole or in part, of payments received and assess liquidated damages.

(e) CONTRACT RENEWAL.—At the end of the initial 5-year contract period, the Secretary may allow the producer to renew the contract for 1 additional 5-year period if the producer—

(1) demonstrates compliance with the terms of the initial contract;

(2) agrees to adopt and continue to integrate conservation activities across the entire agricultural operation, as determined by the Secretary; and

(3) agrees, by the end of the contract period—

(A) to meet the stewardship threshold of at least two additional priority resource concerns on the agricultural operation; or

(B) to exceed the stewardship threshold of two existing priority resource concerns that are specified by the Secretary in the initial contract.

SEC. 1238G. DUTIES OF THE SECRETARY.

(a) IN GENERAL.—To achieve the conservation goals of a contract under the conservation stewardship program, the Secretary shall—

(1) make the program available to eligible producers on a continuous enrollment basis with 1 or more ranking periods, one of which shall occur in the first quarter of each fiscal year;

(2) identify not less than 5 priority resource concerns in a particular watershed or other appropriate region or area within a State; and

(3) establish a science-based stewardship threshold for each priority resource concern identified under paragraph (2).

(b) ALLOCATION TO STATES.—The Secretary shall allocate acres to States for enrollment, based—

(1) primarily on each State's proportion of eligible land to the total acreage of eligible land in all States; and

(2) also on consideration of—

(A) the extent and magnitude of the conservation needs associated with agricultural production in each State;

(B) the degree to which implementation of the program in the State is, or will be, effective in helping producers address those needs; and

(C) other considerations to achieve equitable geographic distribution of funds, as determined by the Secretary.

(c) ACREAGE ENROLLMENT LIMITATION.—During the period beginning on October 1, 2012, and ending on September 30, 2021, the Secretary shall, to the maximum extent practicable—

(1) enroll in the program an additional 9,000,000 acres for each fiscal year; and

(2) manage the program to achieve a national average rate of $18 per acre, which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program.

(d) CONSERVATION STEWARDSHIP PAYMENTS.—

(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide annual payments under the program to compensate the producer for—

(A) installing and adopting additional conservation activities; and

(B) improving, maintaining, and managing conservation activities in place at the agricultural operation of the producer at the time the contract offer is accepted by the Secretary.

(2) PAYMENT AMOUNT.—The amount of the conservation stewardship annual payment shall be determined by the Secretary and based, to the maximum extent practicable, on the following factors:

(A) Costs incurred by the producer associated with planning, design, materials, installation, labor, management, maintenance, or training.

(B) Income forgone by the producer.

(C) Expected conservation benefits.

(D) The extent to which priority resource concerns will be addressed through the installation and adoption of conservation activities on the agricultural operation.

(E) The level of stewardship in place at the time of application and maintained over the term of the contract.

(F) The degree to which the conservation activities will be integrated across the entire agricultural operation for all applicable priority resource concerns over the term of the contract.

(G) Such other factors as determined appropriate by the Secretary.

(3) EXCLUSIONS.—A payment to a producer under this subsection shall not be provided for—

(A) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations; or

(B) conservation activities for which there is no cost incurred or income forgone to the producer.

(4) DELIVERY OF PAYMENTS.—In making payments under this subsection, the Secretary shall, to the extent practicable—

(A) prorate conservation performance over the term of the contract so as to accommodate, to the extent practicable, producers earning equal annual payments in each fiscal year; and

(B) make payments as soon as practicable after October 1 of each fiscal year for activities carried out in the previous fiscal year.

(e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-CONSERVING CROP ROTATIONS.—

(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide additional payments to producers that, in participating in the program, agree to adopt or improve resource-conserving crop rotations to achieve beneficial crop rotations as appropriate for the eligible land of the producers.

(2) BENEFICIAL CROP ROTATIONS.—The Secretary shall determine whether a resource-conserving crop rotation is a beneficial crop rotation eligible for additional payments under paragraph (1) based on whether the resource-conserving crop rotation is designed to provide natural resource conservation and production benefits.

(3) ELIGIBILITY.—To be eligible to receive a payment described in paragraph (1), a producer shall agree to adopt and maintain beneficial resource-conserving crop rotations for the term of the contract.

(4) RESOURCE-CONSERVING CROP ROTATION.—In this subsection, the term "resource-conserving crop rotation" means a crop rotation that—

(A) includes at least 1 resource conserving crop (as defined by the Secretary);

(B) reduces erosion;

(C) improves soil fertility and tilth;

(D) interrupts pest cycles; and

(E) in applicable areas, reduces depletion of soil moisture or otherwise reduces the need for irrigation.

(f) PAYMENT LIMITATIONS.—A person or legal entity may not receive, directly or indirectly, payments under the program that, in the aggregate, exceed $200,000 under all contracts entered into during fiscal years 2013 through 2017, excluding funding arrangements with Indian tribes, regardless of the number of contracts entered into under the program by the person or legal entity.

(g) SPECIALTY CROP AND ORGANIC PRODUCERS.—The Secretary shall ensure that outreach and technical assistance are available, and program specifications are appropriate to enable specialty crop and organic producers to participate in the program.

(h) COORDINATION WITH ORGANIC CERTIFICATION.—The Secretary shall establish a transparent means by which producers may initiate organic certification under the Organic Foods Production Act

of 1990 (7 U.S.C. 6501 et seq.) while participating in a contract under the program.

(i) REGULATIONS.—The Secretary shall promulgate regulations that—

(1) prescribe such other rules as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under subsection (f); and

(2) otherwise enable the Secretary to carry out the program.

[CHAPTER 3—ENVIRONMENTAL EASEMENT PROGRAM

[SEC. 1239. ENVIRONMENTAL EASEMENT PROGRAM.

[(a) ESTABLISHMENT.—The Secretary shall, during the 1991 through 1995 calendar years, formulate and carry out an environmental easement program (hereafter in this chapter referred to as the "easement program") in accordance with this chapter, through the acquisition of permanent easements or easements for the maximum term permitted under applicable State law from willing owners of eligible farms or ranches in order to ensure the continued long-term protection of environmentally sensitive lands or reduction in the degradation of water quality on such farms or ranches through the continued conservation and improvement of soil and water resources.

[(b) ELIGIBILITY; TERMINATION.—

[(1) IN GENERAL.—The Secretary may acquire easements under this section on land placed in the conservation reserve under this subtitle (other than such land that is likely to continue to remain out of production and that does not pose an off-farm environmental threat), land under the Water Bank Act (16 U.S.C. 1301), or other cropland that—

[(A) contains riparian corridors;

[(B) is an area of critical habitat for wildlife, especially threatened or endangered species; or

[(C) contains other environmentally sensitive areas, as determined by the Secretary, that would prevent a producer from complying with other Federal, State, or local environmental goals if commodities were to be produced on such land.

[(2) INELIGIBLE LAND.—The Secretary may not acquire easements on—

[(A) land that contains timber stands established under the conservation reserve under subtitle D; or

[(B) pasture land established to trees under the conservation reserve under subtitle D.

[(3) TERMINATION OF EXISTING CONTRACT.—The Secretary may terminate or modify any existing contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program established by this chapter.

[SEC. 1239A. DUTIES OF OWNERS; COMPONENTS OF PLAN.

[(a) DUTIES OF OWNERS.—

[(1) PLAN.—In conjunction with the creation of an easement on any lands under this chapter, the owner of the farm or ranch wherein such lands are located must agree to implement a natural resource conservation management plan under sub-

section (b) approved by the Secretary in consultation with the Secretary of the Interior.

[(2) AGREEMENT.—In return for the creation of an easement on any lands under this chapter, the owner of the farm or ranch wherein such lands are located must agree to the following:

[(A) To the creation and recordation of an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to under this chapter with respect to such lands.

[(B) To provide a written statement of consent to such easement signed by those holding a security interest in the land.

[(C) To comply with such additional provisions as the Secretary determines are desirable and are included in the easement to carry out this chapter or to facilitate the practical administration thereof.

[(D) To specify the location of any timber harvesting on land subject to the easement. Harvesting and commercial sales of Christmas trees and nuts shall be prohibited on such land, except that no such easement or related agreement shall prohibit activities consistent with customary forestry practices, such as pruning, thinning, or tree stand improvement on lands converted to forestry uses.

[(E) To limit the production of any agricultural commodity on such lands only to production for the benefit of wildlife.

[(F) Not to conduct any harvesting or grazing, nor otherwise make commercial use of the forage, on land that is subject to the easement unless specifically provided for in the easement or related agreement.

[(G) Not to adopt any other practice that would tend to defeat the purposes of this chapter, as determined by the Secretary.

[(3) VIOLATION.—On the violation of the terms or conditions of the easement or related agreement entered into under this section, the easement shall remain in force and the Secretary may require the owner to refund all or part of any payments received by the owner under this chapter, together with interest thereon as determined appropriate by the Secretary.

[(b) COMPONENTS OF PLAN.—The natural resource conservation management plan referred to in subsection (a)(1) (hereafter referred to as the "plan")—

[(1) shall set forth—

[(A) the conservation measures and practices to be carried out by the owner of the land subject to the easement; and

[(B) the commercial use, if any, to be permitted on such land during the term of the easement; and

[(2) shall provide for the permanent retirement of any existing cropland base and allotment history for such land under any program administered by the Secretary.

[SEC. 1239B. DUTIES OF THE SECRETARY.

[In return for the granting of an easement by an owner under this chapter, the Secretary shall—

[(1) share the cost of carrying out the establishment of conservation measures and practices set forth in the plan for which the Secretary determines that cost sharing is appropriate and in the public interest;

[(2) pay for a period not to exceed 10 years annual easement payments in the aggregate not to exceed the lesser of—

[(A) $250,000; or

[(B) the difference in the value of the land with and without an easement;

[(3) provide necessary technical assistance to assist owners in complying with the terms and conditions of the easement and the plan; and

[(4) permit the land to be used for wildlife activities, including hunting and fishing, if such use is permitted by the owner.

[SEC. 1239C. PAYMENTS.

[(a) TIME OF PAYMENT.—The Secretary shall provide payment for obligations incurred by the Secretary under this chapter—

[(1) with respect to any cost sharing obligation as soon as possible after the obligation is incurred; and

[(2) with respect to any annual easement payment obligation incurred by the Secretary as soon as possible after October 1 of each calendar year.

[(b) COST SHARING PAYMENTS.—In making cost sharing payments to owners under this chapter, the Secretary may pay up to 100 percent of the cost of establishing conservation measures and practices pursuant to this chapter.

[(c) EASEMENT PAYMENTS; ACCEPTABILITY OF OFFERS.—

[(1) DETERMINATION OF AMOUNT.—The Secretary shall determine the amount payable to owners in the form of easement payments under this chapter, and in making such determination may consider, among other things, the amount necessary to encourage owners to participate in the easement program.

[(2) ACCEPTABILITY OF OFFERS.—In determining the acceptability of easement offers, the Secretary may take into consideration—

[(A) the extent to which the purposes of the easement program would be achieved on the land;

[(B) the productivity of the land; and

[(C) the on-farm and off-farm environmental threats if the land is used for the production of agricultural commodities.

[(d) FORM OF PAYMENT.—Except as otherwise provided in this section, payments under this chapter—

[(1) shall be made in cash in such amount and at such time as is agreed on and specified in the easement or related agreement; and

[(2) may be made in advance of a determination of performance.

[(e) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this chapter dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision

of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

[(f) PAYMENT LIMITATION.—

[(1) IN GENERAL.—The total amount of easement payments made to a person under this chapter for any year may not exceed $50,000.

[(2) REGULATIONS.—The Secretary shall issue regulations prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation contained in this subsection.

[(3) OTHER PAYMENTS.—Easement payments received by an owner shall be in addition to, and not affect, the total amount of payments that such owner is otherwise eligible to receive under this Act, the Food, Agriculture, Conservation, and Trade Act of 1990, or the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

[(4) STATE ENVIRONMENTAL ENHANCEMENT.—The provisions of this subsection that limit payments to any person, and section 1305(d) of the Agricultural Reconciliation Act of 1987 (7 U.S.C. 1308 note), shall not be applicable to payments received by a State, political subdivision, or agency thereof in connection with agreements entered into under an environmental easement enhancement program carried out by that entity that has been approved by the Secretary. The Secretary may enter into such agreements for payments to States, political subdivisions, or agencies thereof that the Secretary determines will advance the purposes of this chapter.

[(g) EXEMPTION FROM AUTOMATIC SEQUESTER.—Notwithstanding any other provision of law, no order issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (2 U.S.C. 902) shall affect any payment under this chapter.

[SEC. 1239D. CHANGES IN OWNERSHIP; MODIFICATION OF EASEMENT.

[(a) LIMITATIONS.—No easement shall be created under this chapter on land that has changed ownership in the preceding 12 months unless—

[(1) the new ownership was acquired by will or succession as a result of the death of the previous owner;

[(2) the new ownership was acquired before January 1, 1990; or

[(3) the Secretary determines that the land was acquired under circumstances that give adequate assurances that such land was not acquired for the purposes of placing it in the program established by this chapter.

[(b) MODIFICATION; TERMINATION.—

[(1) MODIFICATION.—The Secretary may modify an easement acquired from, or a related agreement with, an owner under this chapter if—

[(A) the current owner of the land agrees to such modification; and

[(B) the Secretary determines that such modification is desirable—

[(i) to carry out this chapter;

[(ii) to facilitate the practical administration of this chapter; or

[(iii) to achieve such other goals as the Secretary determines are appropriate and consistent with this chapter.

[(2) TERMINATION.—

[(A) IN GENERAL.—The Secretary may terminate an easement created with an owner under this chapter if—

[(i) the current owner of the land agrees to such termination; and

[(ii) the Secretary determines that such termination would be in the public interest.

[(B) NOTICE.—At least 90 days before taking any action to terminate under subparagraph (A) all easements entered into under this chapter, the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.]

CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

SEC. 1240. PURPOSES.

The purposes of the environmental quality incentives program established by this chapter are to promote agricultural production, forest management, and environmental quality as compatible goals, and to optimize environmental benefits, by—

(1) * * *

* * * * * * *

(3) providing flexible assistance to producers to install and maintain conservation practices that sustain food and fiber production while—

(A) enhancing soil, water, and related natural resources, including grazing land, forestland, wetland, and wildlife; [and]

(B) developing and improving wildlife habitat; and

[(B)] *(C)* conserving energy; *and*

(4) assisting producers to make beneficial, cost effective changes to production systems (including conservation practices related to organic production), grazing management, fuels management, forest management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural and forested land[; and].

[(5) consolidating and streamlining conservation planning and regulatory compliance processes to reduce administrative burdens on producers and the cost of achieving environmental goals.]

* * * * * * *

SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION.

(a) ESTABLISHMENT.—During each of the 2002 through [2014] *2017* fiscal years, the Secretary shall provide payments to producers that enter into contracts with the Secretary under the program.

(b) PRACTICES AND TERM.—

(1) * * *

[(2) TERM.—A contract under the program shall have a term that—

[(A) at a minimum, is equal to the period beginning on the date on which the contract is entered into and ending on the date that is one year after the date on which all practices under the contract have been implemented; but

[(B) not to exceed 10 years.]

(2) TERM.—A contract under the program shall have a term that does not exceed 10 years.

* * * * * * *

(d) PAYMENTS.—

(1) * * *

* * * * * * *

(4) INCREASED PAYMENTS FOR CERTAIN PRODUCERS.—

(A) IN GENERAL.—Notwithstanding paragraph (2), in the case of a producer that is a limited resource, socially disadvantaged farmer or rancher, *veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))),* or a beginning farmer or rancher, the Secretary shall increase the amount that would otherwise be provided to a producer under this subsection—

(i) * * *

* * * * * * *

[(B) ADVANCE PAYMENTS.—Not more than 30 percent of the amount determined under subparagraph (A) may be provided in advance for the purpose of purchasing materials or contracting.]

(B) ADVANCE PAYMENTS.—

(i) IN GENERAL.—Not more than 50 percent of the amount determined under subparagraph (A) may be provided in advance for the purpose of purchasing materials or contracting.

(ii) RETURN OF FUNDS.—If funds provided in advance are not expended during the 90-day period beginning on the date of receipt of the funds, the funds shall be returned within a reasonable time frame, as determined by the Secretary.

* * * * * * *

[(f) ALLOCATION OF FUNDING.—For each of fiscal years 2002 through 2012, 60 percent of the funds made available for payments under the program shall be targeted at practices relating to livestock production.]

(f) ALLOCATION OF FUNDING.—

(1) LIVESTOCK.—For each of fiscal years 2013 through 2017, at least 60 percent of the funds made available for payments under the program shall be targeted at practices relating to livestock production.

(2) WILDLIFE HABITAT.—For each of fiscal years 2013 through 2017, 5 percent of the funds made available for payments under the program shall be targeted at practices benefitting wildlife habitat.

(g) FUNDING FOR [FEDERALLY RECOGNIZED NATIVE AMERICAN INDIAN TRIBES AND ALASKA NATIVE CORPORATIONS] *INDIAN TRIBES*.—The Secretary may enter into alternative funding arrangements with [federally recognized Native American Indian Tribes and Alaska Native Corporations (including their affiliated membership organizations)] *Indian tribes* if the Secretary determines that the goals and objectives of the program will be met by such arrangements, and that statutory limitations regarding contracts with individual producers will not be exceeded by any Tribal [or Native Corporation] member.

* * * * * * *

(j) WILDLIFE HABITAT INCENTIVE PRACTICE.—The Secretary shall provide payments under the program for conservation practices that support the restoration, development, and improvement of wildlife habitat on eligible land, including—

(1) upland wildlife habitat;

(2) wetland wildlife habitat;

(3) habitat for threatened and endangered species;

(4) fish habitat;

(5) habitat on pivot corners and other irregular areas of a field; and

(6) other types of wildlife habitat, as determined appropriate by the Secretary.

SEC. 1240C. EVALUATION OF APPLICATIONS.

(a) * * *

(b) PRIORITIZATION OF APPLICATIONS.—In evaluating applications under this chapter, the Secretary shall prioritize applications—

(1) based on their overall level of cost-effectiveness to ensure that the conservation practices and approaches proposed are the most efficient means of achieving the anticipated [environmental] *conservation* benefits of the project;

* * * * * * *

(3) that best fulfill the [purpose of the environmental quality incentives program specified in section 1240(1)] *purposes of the program*; and

* * * * * * *

SEC. 1240D. DUTIES OF PRODUCERS.

To receive payments under the program, a producer shall agree—

(1) * * *

(2) not to conduct any practices on the [farm, ranch, or forest] *enrolled* land that would tend to defeat the purposes of the program;

* * * * * * *

[SEC. 1240G. LIMITATION ON PAYMENTS.

[(a) LIMITATION.—Subject to subsection (b), a person or legal entity may not receive, directly or indirectly, cost-share or incentive payments under this chapter that, in the aggregate, exceed $300,000 for all contracts entered into under this chapter by the person or entity during any six-year period, (excluding funding arrangements with federally recognized Native American Indian Tribes or Alaska Native Corporations under section 1240B(h)) re-

gardless of the number of contracts entered into under this chapter by the person or entity.

[(b) WAIVER AUTHORITY.—In the case of contracts under this chapter for projects of special environmental significance (including projects involving methane digesters), as determined by the Secretary, the Secretary may—

[(1) waive the limitation otherwise applicable under subsection (a); and

[(2) raise the limitation to not more than $450,000 during any six-year period.]

SEC. 1240G. LIMITATION ON PAYMENTS.

A person or legal entity may not receive, directly or indirectly, cost share or incentive payments under this chapter that, in aggregate, exceed $450,000 for all contracts entered into under this chapter by the person or legal entity during the period of fiscal years 2013 through 2017, regardless of the number of contracts entered into under this chapter by the person or legal entity.

SEC. 1240H. CONSERVATION INNOVATION GRANTS AND PAYMENTS.

(a) COMPETITIVE GRANTS FOR INNOVATIVE CONSERVATION APPROACHES.—

(1) * * *

(2) USE.—The Secretary may provide grants under this subsection to governmental and non-governmental organizations and persons, on a competitive basis, to carry out projects that—

(A) * * *

* * * * * * *

(C) ensure efficient and effective transfer of innovative technologies and approaches demonstrated through projects that receive funding under this section, such as market systems for pollution reduction and practices for the storage of carbon in soil[; and]*;*

(D) provide environmental and resource conservation benefits through increased participation by producers of specialty crops[.]*;*

(E) facilitate on-farm conservation research and demonstration activities; and

(F) facilitate pilot testing of new technologies or innovative conservation practices.

[(b) AIR QUALITY CONCERNS FROM AGRICULTURAL OPERATIONS.—

[(1) IMPLEMENTATION ASSISTANCE.—The Secretary shall provide payments under this subsection to producers to implement practices to address air quality concerns from agricultural operations and to meet Federal, State, and local regulatory requirements. The funds shall be made available on the basis of air quality concerns in a State and shall be used to provide payments to producers that are cost effective and reflect innovative technologies.

[(2) FUNDING.—Of the funds made available to carry out this chapter, the Secretary shall carry out this subsection using $37,500,000 for each of fiscal years 2009 through 2012.]

(b) REPORTING.—Not later than December 31, 2013, and every two years thereafter, the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee

on Agriculture of the House of Representatives a report on the status of projects funded under this section, including—

(1) funding awarded;

(2) project results; and

(3) incorporation of project findings, such as new technology and innovative approaches, into the conservation efforts implemented by the Secretary.

[SEC. 1240I. AGRICULTURAL WATER ENHANCEMENT PROGRAM.

[(a) DEFINITIONS.—In this section:

[(1) AGRICULTURAL WATER ENHANCEMENT ACTIVITY.—The term "agricultural water enhancement activity" includes the following activities carried out with respect to agricultural land:

[(A) Water quality or water conservation plan development, including resource condition assessment and modeling.

[(B) Water conservation restoration or enhancement projects, including conversion to the production of less water-intensive agricultural commodities or dryland farming.

[(C) Water quality or quantity restoration or enhancement projects.

[(D) Irrigation system improvement and irrigation efficiency enhancement.

[(E) Activities designed to mitigate the effects of drought.

[(F) Related activities that the Secretary determines will help achieve water quality or water conservation benefits on agricultural land.

[(2) PARTNER.—The term "partner" means an entity that enters into a partnership agreement with the Secretary to carry out agricultural water enhancement activities on a regional basis, including—

[(A) an agricultural or silvicultural producer association or other group of such producers;

[(B) a State or unit of local government; or

[(C) a federally recognized Indian tribe.

[(3) PARTNERSHIP AGREEMENT.—The term "partnership agreement" means an agreement between the Secretary and a partner.

[(4) PROGRAM.—The term "program" means the agricultural water enhancement program established under subsection (b).

[(b) ESTABLISHMENT OF PROGRAM.—Beginning in fiscal year 2009, the Secretary shall carry out, in accordance with this section and using such procedures as the Secretary determines to be appropriate, an agricultural water enhancement program as part of the environmental quality incentives program to promote ground and surface water conservation and improve water quality on agricultural lands—

[(1) by entering into contracts with, and making payments to, producers to carry out agricultural water enhancement activities; or

[(2) by entering into partnership agreements with partners, in accordance with subsection (c), on a regional level to benefit working agricultural land.

[(c) PARTNERSHIP AGREEMENTS.—

[(1) AGREEMENTS AUTHORIZED.—The Secretary may enter into partnership agreements to meet the objectives of the program described in subsection (b).

[(2) APPLICATIONS.—An application to the Secretary to enter into a partnership agreement under paragraph (1) shall include the following:

[(A) A description of the geographical area to be covered by the partnership agreement.

[(B) A description of the agricultural water quality or water conservation issues to be addressed by the partnership agreement.

[(C) A description of the agricultural water enhancement objectives to be achieved through the partnership.

[(D) A description of the partners collaborating to achieve the project objectives and the roles, responsibilities, and capabilities of each partner.

[(E) A description of the program resources, including payments the Secretary is requested to make.

[(F) Such other such elements as the Secretary considers necessary to adequately evaluate and competitively select applications for partnership agreements.

[(3) DUTIES OF PARTNERS.—A partner under a partnership agreement shall—

[(A) identify producers participating in the project and act on their behalf in applying for the program;

[(B) leverage funds provided by the Secretary with additional funds to help achieve project objectives;

[(C) conduct monitoring and evaluation of project effects; and

[(D) at the conclusion of the project, report to the Secretary on project results.

[(d) AGRICULTURAL WATER ENHANCEMENT ACTIVITIES BY PRODUCERS.—The Secretary shall select agricultural water enhancement activities proposed by producers according to applicable requirements under the environmental quality incentives program.

[(e) AGRICULTURAL WATER ENHANCEMENT ACTIVITIES BY PARTNERS.—

[(1) COMPETITIVE PROCESS.—The Secretary shall conduct a competitive process to select partners. In carrying out the process, the Secretary shall make public the criteria used in evaluating applications.

[(2) AUTHORITY TO GIVE PRIORITY TO CERTAIN PROPOSALS.—The Secretary may give a higher priority to proposals from partners that—

[(A) include high percentages of agricultural land and producers in a region or other appropriate area;

[(B) result in high levels of applied agricultural water quality and water conservation activities;

[(C) significantly enhance agricultural activity;

[(D) allow for monitoring and evaluation; and

[(E) assist producers in meeting a regulatory requirement that reduces the economic scope of the producer's operation.

[(3) PRIORITY TO PROPOSALS FROM STATES WITH WATER QUANTITY CONCERNS.—The Secretary shall give a higher priority to proposals from partners that—

[(A) include the conversion of agricultural land from irrigated farming to dryland farming;

[(B) leverage Federal funds provided under the program with funds provided by partners; and

[(C) assist producers in States with water quantity concerns, as determined by the Secretary.

[(4) ADMINISTRATION.—In carrying out this subsection, the Secretary shall—

[(A) accept qualified applications—

[(i) directly from partners applying on behalf of producers; or

[(ii) from producers applying through a partner as part of a regional agricultural water enhancement project; and

[(B) ensure that resources made available for regional agricultural water enhancement activities are delivered in accordance with applicable program rules.

[(f) AREAS EXPERIENCING EXCEPTIONAL DROUGHT.—Notwithstanding the purposes described in section 1240, the Secretary shall consider as an eligible agricultural water enhancement activity the use of a water impoundment to capture surface water runoff on agricultural land if the agricultural water enhancement activity—

[(1) is located in an area that is experiencing or has experienced exceptional drought conditions during the previous two calendar years; and

[(2) will capture surface water runoff through the construction, improvement, or maintenance of irrigation ponds or small, on-farm reservoirs.

[(g) WAIVER AUTHORITY.—To assist in the implementation of agricultural water enhancement activities under the program, the Secretary shall waive the applicability of the limitation in section 1001D(b)(2)(B) of this Act for participating producers if the Secretary determines that the waiver is necessary to fulfill the objectives of the program.

[(h) PAYMENTS UNDER PROGRAM.—

[(1) IN GENERAL.—The Secretary shall provide appropriate payments to producers participating in agricultural water enhancement activities in an amount determined by the secretary to be necessary to achieve the purposes of the program described in subsection (b).

[(2) PAYMENTS TO PRODUCERS IN STATES WITH WATER QUANTITY CONCERNS.—The Secretary shall provide payments for a period of five years to producers participating in agricultural water enhancement activities under proposals described in subsection (e)(3) in an amount sufficient to encourage producers to convert from irrigated farming to dryland farming.

[(i) CONSISTENCY WITH STATE LAW.—Any agricultural water enhancement activity conducted under the program shall be conducted in a manner consistent with State water law.

[(j) FUNDING.—

[(1) AVAILABILITY OF FUNDS.—In addition to funds made available to carry out this chapter under section 1241(a), the Secretary shall carry out the program using, of the funds of the Commodity Credit Corporation—

[(A) $73,000,000 for each of fiscal years 2009 and 2010;

[(B) $74,000,000 for fiscal year 2011; and

[(C) $60,000,000 for fiscal year 2012 and each fiscal year thereafter.

[(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available for regional agricultural water conservation activities under the program may be used to pay for the administrative expenses of partners.]

CHAPTER 5—OTHER CONSERVATION PROGRAMS

SEC. 1240M. CONSERVATION OF PRIVATE GRAZING LAND.

(a) * * *

* * * * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2002 through [2012] *2017*.

[SEC. 1240N. WILDLIFE HABITAT INCENTIVE PROGRAM.

[(a) IN GENERAL.—The Secretary, in consultation with the State technical committees established under section 1261, shall establish within the Natural Resources Conservation Service a program to be known as the wildlife habitat incentive program (referred to in this section as the "program") for the development of wildlife habitat on private agricultural land, nonindustrial private forest land, and tribal lands.

[(b) COST-SHARE PAYMENTS.—

[(1) IN GENERAL.—Under the program, the Secretary shall make cost-share payments to owners of lands referred to in subsection (a) to develop—

[(A) upland wildlife habitat;

[(B) wetland wildlife habitat;

[(C) habitat for threatened and endangered species;

[(D) fish habitat; and

[(E) other types of wildlife habitat approved by the Secretary, including habitat developed on pivot corners and irregular areas.

[(2) INCREASED COST SHARE FOR LONG-TERM AGREEMENTS.—

[(A) IN GENERAL.—In a case in which the Secretary enters into an agreement or contract to protect and restore plant and animal habitat that has a term of at least 15 years, the Secretary may provide cost-share payments in addition to amounts provided under paragraph (1).

[(B) FUNDING LIMITATION.—The Secretary may use, for a fiscal year, not more than 25 percent of funds made available under section 1241(a)(7) for the fiscal year to carry out contracts and agreements described in subparagraph (A).

[(c) REGIONAL EQUITY.—In carrying out this section, the Secretary shall, to the maximum extent practicable, ensure that regional issues of concern relating to wildlife habitat are addressed in an appropriate manner.

[(d) PRIORITY FOR CERTAIN CONSERVATION INITIATIVES.—In carrying out this section, the Secretary may give priority to projects that would address issues raised by State, regional, and national conservation initiatives.

[(e) PAYMENT LIMITATION.—Payments made to a person or legal entity, directly or indirectly, under the program may not exceed, in the aggregate, $50,000 per year.]

SEC. 1240O. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.

(a) * * *

[(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2008 through 2012.]

(b) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2008 through 2017.

(2) AVAILABILITY OF FUNDS.—In addition to funds made available under paragraph (1), of the funds of the Commodity Credit Corporation, the Secretary shall use $5,000,000, to remain available until expended.

[SEC. 1240P. GREAT LAKES BASIN PROGRAM FOR SOIL EROSION AND SEDIMENT CONTROL.

[(a) PROGRAM AUTHORIZED.—The Secretary may carry out the Great Lakes basin program for soil erosion and sediment control (referred to in this section as the "program"), including providing assistance to implement the recommendations of the Great Lakes Regional Collaboration Strategy to Restore and Protect the Great Lakes.

[(b) CONSULTATION AND COOPERATION.—The Secretary shall carry out the program in consultation with the Great Lakes Commission created by Article IV of the Great Lakes Basin Compact (82 Stat. 415) and in cooperation with the Administrator of the Environmental Protection Agency and the Secretary of the Army.

[(c) ASSISTANCE.—In carrying out the program, the Secretary may—

[(1) provide project demonstration grants, provide technical assistance, and carry out information and educational programs to improve water quality in the Great Lakes basin by reducing soil erosion and improving sediment control; and

[(2) establish a priority for projects and activities that—

[(A) directly reduce soil erosion or improve sediment control;

[(B) reduce soil loss in degraded rural watersheds; or

[(C) improve water quality for downstream watersheds.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out the program $5,000,000 for each of fiscal years 2008 through 2012.

[SEC. 1240Q. CHESAPEAKE BAY WATERSHED.

[(a) CHESAPEAKE BAY WATERSHED DEFINED.—In this section, the term "Chesapeake Bay watershed" means all tributaries, backwaters, and side channels, including their watersheds, draining into the Chesapeake Bay.

[(b) ESTABLISHMENT AND PURPOSE.—The Secretary shall assist producers in implementing conservation activities on agricultural lands in the Chesapeake Bay watershed for the purposes of—

[(1) improving water quality and quantity in the Chesapeake Bay watershed; and

[(2) restoring, enhancing, and preserving soil, air, and related resources in the Chesapeake Bay watershed.

[(c) CONSERVATION ACTIVITIES.—The Secretary shall deliver the funds made available to carry out this section through applicable programs under this subtitle to assist producers in enhancing land and water resources—

[(1) by controlling erosion and reducing sediment and nutrient levels in ground and surface water; and

[(2) by planning, designing, implementing, and evaluating habitat conservation, restoration, and enhancement measures where there is significant ecological value if the lands are—

[(A) retained in their current use; or

[(B) restored to their natural condition.

[(d) AGREEMENTS.—

[(1) IN GENERAL.—The Secretary shall—

[(A) enter into agreements with producers to carry out the purposes of this section; and

[(B) use the funds made available to carry out this section to cover the costs of the program involved with each agreement.

[(2) SPECIAL CONSIDERATIONS.—In entering into agreements under this subsection, the Secretary shall give special consideration to, and begin evaluating, applications with producers in the following river basins:

[(A) The Susquehanna River.

[(B) The Shenandoah River.

[(C) The Potomac River (including North and South Potomac).

[(D) The Patuxent River.

[(e) DUTIES OF THE SECRETARY.—In carrying out the purposes in this section, the Secretary shall—

[(1) where available, use existing plans, models, and assessments to assist producers in implementing conservation activities; and

[(2) proceed expeditiously with the implementation of any agreement with a producer that is consistent with State strategies for the restoration of the Chesapeake Bay watershed.

[(f) CONSULTATION.—The Secretary, in consultation with appropriate Federal agencies, shall ensure conservation activities carried out under this section complement Federal and State programs, including programs that address water quality, in the Chesapeake Bay watershed.

[(g) SENSE OF CONGRESS REGARDING CHESAPEAKE BAY EXECUTIVE COUNCIL.—It is the sense of Congress that the Secretary should be a member of the Chesapeake Bay Executive Council, and is authorized to do so under section 1(3) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a(3)).

[(h) FUNDING.—

[(1) AVAILABILITY.—Of the funds of the Commodity Credit Corporation, the Secretary shall use, to the maximum extent practicable—

[(A) $23,000,000 for fiscal year 2009;

[(B) $43,000,000 for fiscal year 2010;

[(C) $72,000,000 for fiscal year 2011; and

[(D) $50,000,000 for fiscal year 2012.

[(2) DURATION OF AVAILABILITY.—Funds made available under paragraph (1) shall remain available until expended.]

SEC. 1240R. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.

(a) * * *

* * * * * * *

(f) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use, to the maximum extent practicable, $50,000,000 for the period of fiscal years 2009 through 2012 *and $30,000,000 for the period of fiscal years 2013 through 2017*.

Subtitle E—Funding and Administration

SEC. 1241. COMMODITY CREDIT CORPORATION.

[(a) IN GENERAL.—For each of fiscal years 2002 through 2012 (and fiscal year 2014 in the case of the programs specified in paragraphs (3)(B), (4), (6), and (7)), the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out the following programs under subtitle D (including the provision of technical assistance):

[(1) The conservation reserve program under subchapter B of chapter 1, including to the maximum extent practicable—

[(A) $100,000,000 for the period of fiscal years 2009 through 2012 to provide cost share payments under paragraph (3) of section 1234(b) in connection with thinning activities conducted on land described in subparagraph (A)(iii) of such paragraph; and

[(B) $25,000,000 for the period of fiscal years 2009 through 2012 to carry out section 1235(f) to facilitate the transfer of land subject to contracts from retired or retiring owners and operators to beginning farmers or ranchers and socially disadvantaged farmers or ranchers.

[(2) The wetlands reserve program under subchapter C of chapter 1.

[(3)(A) CONSERVATION SECURITY PROGRAM.—The conservation security program under subchapter A of chapter 2, using such sums as are necessary to administer contracts entered into before September 30, 2008.

[(B) CONSERVATION STEWARDSHIP PROGRAM.—The conservation stewardship program under subchapter B of chapter 2.

[(4) The farmland protection program under subchapter C of chapter 2, using, to the maximum extent practicable—

[(A) $97,000,000 in fiscal year 2008;

[(B) $121,000,000 in fiscal year 2009;

[(C) $150,000,000 in fiscal year 2010;

[(D) $175,000,000 in fiscal year 2011; and

[(E) $200,000,000 in each of fiscal years 2012 through 2014.

[(5) The grassland reserve program under subchapter D of chapter 2.

[(6) The environmental quality incentives program under chapter 4, using, to the maximum extent practicable—

[(A) $1,200,000,000 in fiscal year 2008;

[(B) $1,337,000,000 in fiscal year 2009;

[(C) $1,450,000,000 in fiscal year 2010;

[(D) $1,588,000,000 in fiscal year 2011; and

[(E) $1,750,000,000 in each of fiscal years 2012 through 2014.

[(7) The wildlife habitat incentives program under section 1240N, using, to the maximum extent practicable—

[(A) $15,000,000 in fiscal year 2002;

[(B) $30,000,000 in fiscal year 2003;

[(C) $60,000,000 in fiscal year 2004; and

[(D) $85,000,000 in each of fiscal years 2005 through 2014.]

(a) ANNUAL FUNDING.—For each of fiscal years 2013 through 2017, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out the following programs under this title (including the provision of technical assistance):

(1) The conservation reserve program under subchapter B of chapter 1 of subtitle D, including, to the maximum extent practicable, $25,000,000 for the period of fiscal years 2013 through 2017 to carry out section 1235(f) to facilitate the transfer of land subject to contracts from retired or retiring owners and operators to beginning farmers or ranchers and socially disadvantaged farmers or ranchers.

(2) The agriculture conservation easement program under subtitle H, using, to the maximum extent practicable—

(A) $450,000,000 in fiscal year 2013;

(B) $475,000,000 in fiscal year 2014;

(C) $500,000,000 in fiscal year 2015;

(D) $525,000,000 in fiscal year 2016; and

(E) $266,000,000 in fiscal year 2017.

(3) The conservation security program under subchapter A of chapter 2 of subtitle D, using such sums as are necessary to administer contracts entered into before September 30, 2008.

(4) The conservation stewardship program under subchapter B of chapter 2 of subtitle D.

(5) The environmental quality incentives program under chapter 4 of subtitle D, using, to the maximum extent practicable, $1,750,000,000 for each of fiscal years 2013 through 2017.

(b) AVAILABILITY OF FUNDS.—Amounts made available by subsection (a) shall be used by the Secretary to carry out the programs specified in such subsection for fiscal years 2013 through 2017 and shall remain available until expended. Amounts made available for the programs specified in such subsection during a fiscal year through modifications, cancellations, terminations, and other related administrative actions and not obligated in that fiscal year shall remain available for obligation during subsequent fiscal years,

but shall reduce the amount of additional funds made available in the subsequent fiscal year by an amount equal to the amount remaining unobligated.

[(b) TECHNICAL ASSISTANCE.—Effective for fiscal year 2005 and each subsequent fiscal year, Commodity Credit Corporation funds made available for each of the programs specified in paragraphs (1) through (7) of subsection (a)—

[(1) shall be available for the provision of technical assistance for the programs for which funds are made available; and

[(2) shall not be available for the provision of technical assistance for conservation programs specified in subsection (a) other than the program for which the funds were made available.]

(c) TECHNICAL ASSISTANCE.—

(1) AVAILABILITY OF FUNDS.—Commodity Credit Corporation funds made available for a fiscal year for each of the programs specified in subsection (a)—

(A) shall be available for the provision of technical assistance for the programs for which funds are made available as necessary to implement the programs effectively; and

(B) shall not be available for the provision of technical assistance for conservation programs specified in subsection (a) other than the program for which the funds were made available.

(2) REPORT.—Not later than December 31, 2012, the Secretary shall submit (and update as necessary in subsequent years) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report—

(A) detailing the amount of technical assistance funds requested and apportioned in each program specified in subsection (a) during the preceding fiscal year; and

(B) any other data relating to this subsection that would be helpful to such Committees.

[(c)] *(d)* RELATIONSHIP TO OTHER LAW.—The use of Commodity Credit Corporation funds under subsection (b) to provide technical assistance shall not be considered an allotment or fund transfer from the Commodity Credit Corporation for purposes of the limit on expenditures for technical assistance imposed by section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i).

[(d) REGIONAL EQUITY.—

[(1) PRIORITY FUNDING TO PROMOTE EQUITY.—Before April 1 of each fiscal year, the Secretary shall give priority for funding under the conservation programs under subtitle D (excluding the conservation reserve program under subchapter B of chapter 1, the wetlands reserve program under subchapter C of chapter 1, and the conservation security program under subchapter A of chapter 2) to approved applications in any State that has not received, for the fiscal year, an aggregate amount of at least $15,000,000 for those conservation programs.

[(2) SPECIFIC FUNDING ALLOCATIONS.—In determining the specific funding allocations for States under paragraph (1), the Secretary shall consider the respective demand in each State for each program covered by such paragraph.]

(e) REGIONAL EQUITY.—

(1) EQUITABLE DISTRIBUTION.—In determining funding allocations each fiscal year, the Secretary shall, after considering available funding and program demand in each State, provide a distribution of funds for conservation programs under subtitle D (excluding the conservation reserve program under subchapter B of chapter 1), subtitle H (excluding wetland easements under section 1265C), and subtitle I to ensure equitable program participation proportional to historical funding allocations and usage by all States.

(2) MINIMUM PERCENTAGE.—In determining the specific funding allocations under paragraph (1), the Secretary shall—

(A) ensure that during the first quarter of each fiscal year each State has the opportunity to establish that the State can use an aggregate allocation amount of at least 0.6 percent of the funds made available for those conservation programs; and

(B) for each State that can so establish, provide an aggregate amount of at least 0.6 percent of the funds made available for those conservation programs.

[(e)] *(f)* ACCEPTANCE AND USE OF CONTRIBUTIONS.—

(1) * * *

* * * * * * *

[(f)] *(g)* ALLOCATIONS REVIEW AND UPDATE.—

(1) * * *

* * * * * * *

[(g)] *(h)* ASSISTANCE TO CERTAIN FARMERS OR RANCHERS FOR CONSERVATION ACCESS.—

(1) ASSISTANCE.—Of the funds made available for each of fiscal years 2009 through [2012] *2017* to carry out the environmental quality incentives program and the acres made available for each of such fiscal years to carry out the conservation stewardship program, the Secretary shall use, to the maximum extent practicable—

(A) * * *

* * * * * * *

(4) PREFERENCE.—In providing assistance under paragraph (1), the Secretary shall give preference to a veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))) that qualifies under subparagraph (A) or (B) of paragraph (1).

[(h)] *(i)* REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.—Beginning in calendar year 2009, and each year thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a semiannual report containing statistics by State related to enrollments in conservation programs under this subtitle, as follows:

(1) Payments made under the [wetlands reserve program] *agricultural conservation easement program* for easements valued at $250,000 or greater.

[(2) Payments made under the farmland protection program for easements in which the Federal share is $250,000 or greater.

[(3) Payments made under the grassland reserve program valued at $250,000 or greater.]

[(4)] *(2)* Payments made under the environmental quality incentives program for land determined to have special environmental significance pursuant to section 1240G(b).

[(5)] *(3)* Payments made under the [agricultural water enhancement program] *regional conservation partnership program* subject to the waiver of adjusted gross income limitations pursuant to section [1240I(g)] *1271C(c)(3)*.

[(6)] *(4)* Waivers granted by the Secretary under section 1001D(b)(2) of this Act in order to protect environmentally sensitive land of special significance.

SEC. 1242. DELIVERY OF TECHNICAL ASSISTANCE.

(a) * * *

* * * * * * *

(h) REVIEW OF CONSERVATION PRACTICE STANDARDS.—

(1) REVIEW REQUIRED.—The Secretary shall—

(A) review conservation practice standards, including engineering design specifications, in effect on the date of the enactment of [the Food, Conservation, and Energy Act of 2008] *the Federal Agriculture Reform and Risk Management Act of 2012*;

* * * * * * *

(i) ADDRESSING CONCERNS OF [SPECIALITY] *SPECIALTY* CROP, ORGANIC, AND PRECISION AGRICULTURE PRODUCERS.—

(1) * * *

* * * * * * *

[SEC. 1243. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

[(a) ESTABLISHMENT OF INITIATIVE.—The Secretary shall establish a cooperative conservation partnership initiative (in this section referred to as the "Initiative") to work with eligible partners to provide assistance to producers enrolled in a program described in subsection (c)(1) that will enhance conservation outcomes on agricultural and nonindustrial private forest land.

[(b) PURPOSES.—The purposes of a partnership entered into under the Initiative shall be—

[(1) to address conservation priorities involving agriculture and nonindustrial private forest land on a local, State, multi-State, or regional level;

[(2) to encourage producers to cooperate in meeting applicable Federal, State, and local regulatory requirements related to production involving agriculture and nonindustrial private forest land;

[(3) to encourage producers to cooperate in the installation and maintenance of conservation practices that affect multiple agricultural or nonindustrial private forest operations; or

[(4) to promote the development and demonstration of innovative conservation practices and delivery methods, including those for specialty crop and organic production and precision agriculture producers.

[(c) INITIATIVE PROGRAMS.—

[(1) COVERED PROGRAMS.—Except as provided in paragraph (2), the Initiative applies to all conservation programs under subtitle D.

[(2) EXCLUDED PROGRAMS.—The Initiative shall not include the following programs:

[(A) Conservation reserve program.

[(B) Wetlands reserve program.

[(C) Farmland protection program

[(D) Grassland reserve program.

[(d) ELIGIBLE PARTNERS.—The Secretary may enter into a partnership under the Initiative with one or more of the following:

[(1) States and local governments.

[(2) Indian tribes.

[(3) Producer associations.

[(4) Farmer cooperatives.

[(5) Institutions of higher education.

[(6) Nongovernmental organizations with a history of working cooperatively with producers to effectively address conservation priorities related to agricultural production and nonindustrial private forest land.

[(e) IMPLEMENTATION AGREEMENTS.—The Secretary shall carry out the Initiative—

[(1) by selecting, through a competitive process, eligible partners from among applications submitted under subsection (f); and

[(2) by entering into multi-year agreements with eligible partners so selected for a period not to exceed 5 years.

[(f) APPLICATIONS.—

[(1) REQUIRED INFORMATION.—An application to enter into a partnership agreement under the Initiative shall include the following:

[(A) A description of the area covered by the agreement, conservation priorities in the area, conservation objectives to be achieved, and the expected level of participation by agricultural producers and nonindustrial private forest landowners.

[(B) A description of the partner, or partners, collaborating to achieve the objectives of the agreement, and the roles, responsibilities, and capabilities of the partner.

[(C) A description of the resources that are requested from the Secretary, and the non-Federal resources that will be leveraged by the Federal contribution.

[(D) A description of the plan for monitoring, evaluating, and reporting on progress made towards achieving the objectives of the agreement.

[(E) Such other information that may be required by the Secretary.

[(2) PRIORITIES.—The Secretary shall give priority to applications for agreements that—

[(A) have a high percentage of producers involved and working agricultural or nonindustrial private forest land included in the area covered by the agreement;

[(B) significantly leverage non-Federal financial and technical resources and coordinate with other local, State, or Federal efforts;

[(C) deliver high percentages of applied conservation to address water quality, water conservation, or State, regional, or national conservation initiatives;

[(D) provide innovation in conservation methods and delivery, including outcome-based performance measures and methods; or

[(E) meet other factors, as determined by the Secretary.

[(g) RELATIONSHIP TO COVERED PROGRAMS.—

[(1) COMPLIANCE WITH PROGRAM RULES.—Except as provided in paragraph (2), the Secretary shall ensure that resources made available under the Initiative are delivered in accordance with the applicable rules of programs specified in subsection (c)(1) through normal program mechanisms relating to program functions, including rules governing appeals, payment limitations, and conservation compliance.

[(2) ADJUSTMENT.—The Secretary may adjust the elements of any program specified in subsection (c)(1)—

[(A) to better reflect unique local circumstances and purposes if the Secretary determines such adjustments are necessary to achieve the purposes of the Initiative; and

[(B) to provide preferential enrollment to producers who are eligible for the applicable program and to participate in the Initiative.

[(h) TECHNICAL AND FINANCIAL ASSISTANCE.—The Secretary shall provide appropriate technical and financial assistance to producers participating in the Initiative in an amount determined to be necessary to achieve the purposes of the Initiative.

[(i) FUNDING.—

[(1) RESERVATION.—Of the funds and acres made available for each of fiscal years 2009 through 2012 to implement the programs described in subsection (c)(1), the Secretary shall reserve 6 percent of the funds and acres to ensure an adequate source of funds and acres for the Initiative.

[(2) ALLOCATION REQUIREMENTS.—Of the funds and acres reserved for the Initiative for a fiscal year, the Secretary shall allocate—

[(A) 90 percent of the funds and acres to projects based on the direction of State conservationists, with the advice of State technical committees; and

[(B) 10 percent of the funds and acres to projects based on a national competitive process established by the Secretary.

[(3) UNUSED FUNDING.—Any funds and acres reserved for a fiscal year under paragraph (1) that are not obligated by April 1 of that fiscal year may be used to carry out other activities under the program that is the source of the funds or acres during the remainder of that fiscal year.

[(4) ADMINISTRATIVE COSTS OF PARTNERS.—Overhead or administrative costs of partners may not be covered by funds provided through the Initiative.]

SEC. 1244. ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS.

(a) INCENTIVES FOR CERTAIN FARMERS AND RANCHERS AND INDIAN TRIBES.—

(1) * * *

(2) COVERED PERSONS.—Incentives authorized by paragraph (1) may be provided to the following:

(A) * * *

* * * * * * *

(E) Veteran farmers or ranchers (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))).

* * * * * * *

(c) PLANS.—The Secretary shall, to the extent practicable, avoid duplication in—

(1) the conservation plans required for—

(A) highly erodible land conservation under subtitle B; *and*

(B) the conservation reserve program established under subchapter B of chapter 1 of subtitle D; ❚and❚

❚(C) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D; and❚

(2) the agricultural conservation easement program established under subtitle H; and

❚(2)❚ *(3)* the environmental quality incentives program established under chapter 4 of subtitle D.

(d) TENANT PROTECTION.—Except for a person who is a tenant on land that is subject to a conservation reserve contract that has been extended by the Secretary, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under the programs established under subtitles B through D*, H, and I*.

* * * * * * *

(f) ACREAGE LIMITATIONS.—

(1) LIMITATIONS.—

(A) ENROLLMENTS.—The Secretary shall not enroll more than 25 percent of the cropland in any county in the ❚programs administered under subchapters B and C of chapter 1 of subtitle D❚ *conservation reserve program established under subchapter B of chapter 1 of subtitle D and wetland easements under section 1265C*.

(B) EASEMENTS.—Not more than 10 percent of the cropland in a ❚country❚ *county* may be subject to ❚an easement acquired under subchapter C of chapter 1 of subtitle D❚ *a wetland easement under section 1265C*.

* * * * * * *

(3) WAIVER TO EXCLUDE CERTAIN ACREAGE.—The Secretary may grant a waiver to exclude acreage enrolled under ❚subsection (c)(2)(B) or (f)(4)❚ *subsection (c)(2)(A)(ii) or (f)(2)* of section 1234 from the limitations in paragraph (1)(A) with the concurrence of the county government of the county involved.

* * * * * * *

(5) CALCULATION.—In calculating the percentages described in paragraph (1), the Secretary shall include any acreage that was included in calculations of percentages made under such paragraph, as in effect on September 30, 2012, and that re-

mains enrolled when the calculation is made after that date under paragraph (1).

* * * * * * *

(j) IMPROVED ADMINISTRATIVE EFFICIENCY AND EFFECTIVENESS.—In administrating a conservation program under this title, the Secretary shall, to the maximum extent practicable—

(1) seek to reduce administrative burdens and costs to producers by streamlining conservation planning and program resources; and

(2) take advantage of new technologies to enhance efficiency and effectiveness.

(k) RELATION TO OTHER PAYMENTS.—Any payment received by an owner or operator under this title, including an easement payment or rental payment, shall be in addition to, and not affect, the total amount of payments that the owner or operator is otherwise eligible to receive under any of the following:

(1) This Act.

(2) The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

(3) The Federal Agriculture Reform and Risk Management Act of 2012.

(4) Any law that succeeds a law specified in paragraph (1), (2), or (3).

* * * * * * *

SEC. 1246. REGULATIONS.

(a) IN GENERAL.—The Secretary shall promulgate such regulations as are necessary to implement programs under this title, including such regulations as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under section 1244(f).

(b) RULEMAKING PROCEDURE.—The promulgation of regulations and administration of programs under this title—

(1) shall be carried out without regard to—

(A) the Statement of Policy of the Secretary effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(B) chapter 35 of title 44, United States Code (commonly known as the Paperwork Reduction Act); and

(2) shall be made as an interim rule effective on publication with an opportunity for notice and comment.

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In promulgating regulations under this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

Subtitle F—Other Conservation Provisions

SEC. 1252. AGRICULTURE CONSERVATION EXPERIENCED SERVICES PROGRAM.

(a) * * *

* * * * * * *

[(c) FUNDING SOURCE.—

[(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may carry out the ACES program using funds made available to carry out each program under this title.

[(2) EXCLUSIONS.—Funds made available to carry out the following programs may not be used to carry out the ACES program:

[(A) The conservation reserve program.

[(B) The wetlands reserve program.

[(C) The grassland reserve program.

[(D) The conservation stewardship program.]

(c) FUNDING.—

(1) IN GENERAL.—The Secretary may carry out the ACES program using funds made available to carry out each program under this title.

(2) EXCLUSION.—Funds made available to carry out the conservation reserve program may not be used to carry out the ACES program.

* * * * * * *

Subtitle G—State Technical Committees

SEC. 1261. ESTABLISHMENT OF STATE TECHNICAL COMMITTEES.

(a) * * *

(b) STANDARDS.—[Not later than 180 days after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall develop] *The Secretary shall review and update as necessary—*

(1) * * *

* * * * * * *

Subtitle H—Agricultural Conservation Easement Program

SEC. 1265. ESTABLISHMENT AND PURPOSES.

(a) ESTABLISHMENT.—The Secretary shall establish an agricultural conservation easement program for the conservation of eligible land and natural resources through easements or other interests in land.

(b) PURPOSES.—The purposes of the program are to—

(1) combine the purposes and coordinate the functions of the wetlands reserve program established under section 1237, the grassland reserve program established under section 1238N, and the farmland protection program established under section 1238I, as such sections were in effect on September 30, 2012;

(2) restore, protect, and enhance wetlands on eligible land;

(3) protect the agricultural use and related conservation values of eligible land by limiting nonagricultural uses of that land; and

(4) protect grazing uses and related conservation values by restoring and conserving eligible land.

SEC. 1265A. DEFINITIONS.

In this subtitle:

(1) AGRICULTURAL LAND EASEMENT.—The term "agricultural land easement" means an easement or other interest in eligible land that—

(A) is conveyed for the purpose of protecting natural resources and the agricultural nature of the land; and

(B) permits the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan, as approved by the Secretary.

(2) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) an agency of State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law); or

(B) an organization that is—

(i) organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(ii) an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; or

(iii) described in—

(I) paragraph (1) or (2) of section 509(a) of that Code; or

(II) section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(3) ELIGIBLE LAND.—The term "eligible land" means private or tribal land that is—

(A) in the case of an agricultural land easement, agricultural land, including land on a farm or ranch—

(i) that is subject to a pending offer for purchase of an agricultural land easement from an eligible entity;

(ii) that—

(I) has prime, unique, or other productive soil;

(II) contains historical or archaeological resources; or

(III) the protection of which will further a State or local policy consistent with the purposes of the program; and

(iii) that is—

(I) cropland;

(II) rangeland;

(III) grassland or land that contains forbs, or shrubland for which grazing is the predominate use;

(IV) pastureland; or

(V) nonindustrial private forest land that contributes to the economic viability of an offered parcel or serves as a buffer to protect such land from development;

(B) in the case of a wetland easement, a wetland or related area, including—

(i) farmed or converted wetlands, together with adjacent land that is functionally dependent on that land, if the Secretary determines it—

(I) is likely to be successfully restored in a cost effective manner; and

(II) will maximize the wildlife benefits and wetland functions and values, as determined by the Secretary in consultation with the Secretary of the Interior at the local level;

(ii) cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of—

(I) a closed basin lake and adjacent land that is functionally dependent upon it, if the State or other entity is willing to provide 50 percent share of the cost of an easement;

(II) a pothole and adjacent land that is functionally dependent on it;

(iii) farmed wetlands and adjoining lands that—

(I) are enrolled in the conservation reserve program;

(II) have the highest wetland functions and values, as determined by the Secretary; and

(III) are likely to return to production after they leave the conservation reserve program;

(iv) riparian areas that link wetlands that are protected by easements or some other device that achieves the same purpose as an easement; or

(v) other wetlands of an owner that would not otherwise be eligible, if the Secretary determines that the inclusion of such wetlands in a wetland easement would significantly add to the functional value of the easement; or

(C) in the case of either an agricultural land easement or wetland easement, other land that is incidental to land described in subparagraph (A) or (B), if the Secretary determines that it is necessary for the efficient administration of the easements under this program.

(4) PROGRAM.—The term "program" means the agricultural conservation easement program established by this subtitle.

(5) WETLAND EASEMENT.—The term "wetland easement" means a reserved interest in eligible land that—

(A) is defined and delineated in a deed; and

(B) stipulates—

(i) the rights, title, and interests in land conveyed to the Secretary; and

(ii) the rights, title, and interests in land that are reserved to the landowner.

SEC. 1265B. AGRICULTURAL LAND EASEMENTS.

(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall facilitate and provide funding for—

(1) the purchase by eligible entities of agricultural land easements and other interests in eligible land; and

(2) technical assistance to provide for the conservation of natural resources pursuant to an agricultural land easement plan.

(b) COST-SHARE ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall protect the agricultural use, including grazing, and related conservation values of eligible land through cost-share assistance to eligible entities for purchasing agricultural land easements.

(2) SCOPE OF ASSISTANCE AVAILABLE.—

(A) FEDERAL SHARE.—An agreement described in paragraph (4) shall provide for a Federal share determined by the Secretary of an amount not to exceed 50 percent of the fair market value of the agricultural land easement or other interest in land, as determined by the Secretary using—

(i) the Uniform Standards of Professional Appraisal Practice;

(ii) an area-wide market analysis or survey; or

(iii) another industry-approved method.

(B) NON-FEDERAL SHARE.—

(i) IN GENERAL.—Under the agreement, the eligible entity shall provide a share that is at least equivalent to that provided by the Secretary.

(ii) SOURCE OF CONTRIBUTION.—An eligible entity may include as part of its share a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the private landowner if the eligible entity contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by the Secretary.

(C) EXCEPTION.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide an amount not to exceed 75 percent of the fair market value of the agricultural land easement.

(3) EVALUATION AND RANKING OF APPLICATIONS.—

(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

(B) CONSIDERATIONS.—In establishing the criteria, the Secretary shall emphasize support for—

(i) protecting agricultural uses and related conservation values of the land; and

(ii) maximizing the protection of areas devoted to agricultural use.

(C) BIDDING DOWN.—If the Secretary determines that 2 or more applications for cost-share assistance are comparable in achieving the purpose of the program, the Secretary shall not assign a higher priority to any of those applications solely on the basis of lesser cost to the program.

(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

(A) IN GENERAL.—The Secretary shall enter into agreements with eligible entities to stipulate the terms and conditions under which the eligible entity is permitted to use cost-share assistance provided under this section.

(B) LENGTH OF AGREEMENTS.—An agreement shall be for a term that is—

(i) in the case of an eligible entity certified under the process described in paragraph (5), a minimum of five years; and

(ii) for all other eligible entities, at least three, but not more than five years.

(C) MINIMUM TERMS AND CONDITIONS.—An eligible entity shall be authorized to use its own terms and conditions for agricultural land easements so long as the Secretary determines such terms and conditions—

(i) are consistent with the purposes of the program;

(ii) permit effective enforcement of the conservation purposes of such easements;

(iii) include a right of enforcement for the Secretary, that may be used only if the terms of the easement are not enforced by the holder of the easement;

(iv) subject the land in which an interest is purchased to an agricultural land easement plan that—

(I) describes the activities which promote the long-term viability of the land to meet the purposes for which the easement was acquired;

(II) requires the management of grasslands according to a grasslands management plan; and

(III) includes a conservation plan, where appropriate, and requires, at the option of the Secretary, the conversion of highly erodible cropland to less intensive uses; and

(v) include a limit on the impervious surfaces to be allowed that is consistent with the agricultural activities to be conducted.

(D) SUBSTITUTION OF QUALIFIED PROJECTS.—An agreement shall allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of the proposed substitution.

(E) EFFECT OF VIOLATION.—If a violation occurs of a term or condition of an agreement under this subsection—

(i) the Secretary may terminate the agreement; and

(ii) the Secretary may require the eligible entity to refund all or part of any payments received by the entity under the program, with interest on the payments as determined appropriate by the Secretary.

(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

(A) CERTIFICATION PROCESS.—The Secretary shall establish a process under which the Secretary may—

(i) directly certify eligible entities that meet established criteria;

(ii) enter into long-term agreements with certified eligible entities; and

(iii) accept proposals for cost-share assistance for the purchase of agricultural land easements throughout the duration of such agreements.

(B) CERTIFICATION CRITERIA.—In order to be certified, an eligible entity shall demonstrate to the Secretary that the entity will maintain, at a minimum, for the duration of the agreement—

(i) a plan for administering easements that is consistent with the purpose of this subtitle;

(ii) the capacity and resources to monitor and enforce agricultural land easements; and

(iii) policies and procedures to ensure—

(I) the long-term integrity of agricultural land easements on eligible land;

(II) timely completion of acquisitions of such easements; and

(III) timely and complete evaluation and reporting to the Secretary on the use of funds provided under the program.

(C) REVIEW AND REVISION.—

(i) REVIEW.—The Secretary shall conduct a review of eligible entities certified under subparagraph (A) every three years to ensure that such entities are meeting the criteria established under subparagraph (B).

(ii) REVOCATION.—If the Secretary finds that the certified eligible entity no longer meets the criteria established under subparagraph (B), the Secretary may—

(I) allow the certified eligible entity a specified period of time, at a minimum 180 days, in which to take such actions as may be necessary to meet the criteria; and

(II) revoke the certification of the eligible entity, if after the specified period of time, the certified eligible entity does not meet such criteria.

(c) METHOD OF ENROLLMENT.—The Secretary shall enroll eligible land under this section through the use of—

(1) permanent easements; or

(2) easements for the maximum duration allowed under applicable State laws.

(d) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance, if requested, to assist in—

(1) compliance with the terms and conditions of easements; and

(2) implementation of an agricultural land easement plan.

SEC. 1265C. WETLAND EASEMENTS.

(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall provide assistance to owners of eligible land to restore, protect, and enhance wetlands through—

(1) wetland easements and related wetland easement plans; and

(2) technical assistance.

(b) EASEMENTS.—

(1) METHOD OF ENROLLMENT.—The Secretary shall enroll eligible land under this section through the use of—

(A) 30-year easements;

(B) permanent easements;

(C) easements for the maximum duration allowed under applicable State laws; or

(D) as an option for Indian tribes only, 30-year contracts (which shall be considered to be 30-year easements for the purposes of this subtitle).

(2) LIMITATIONS.—

(A) INELIGIBLE LAND.—The Secretary may not acquire easements on—

(i) land established to trees under the conservation reserve program, except in cases where the Secretary

determines it would further the purposes of the program; and

(ii) farmed wetlands or converted wetlands where the conversion was not commenced prior to December 23, 1985.

(B) CHANGES IN OWNERSHIP.—No wetland easement shall be created on land that has changed ownership during the preceding 24-month period unless—

(i) the new ownership was acquired by will or succession as a result of the death of the previous owner;

(ii)(I) the ownership change occurred because of foreclosure on the land; and

(II) immediately before the foreclosure, the owner of the land exercises a right of redemption from the mortgage holder in accordance with State law; or

(iii) the Secretary determines that the land was acquired under circumstances that give adequate assurances that such land was not acquired for the purposes of placing it in the program.

(3) EVALUATION AND RANKING OF OFFERS.—

(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

(B) CONSIDERATIONS.—When evaluating offers from landowners, the Secretary may consider—

(i) the conservation benefits of obtaining a wetland easement, including the potential environmental benefits if the land was removed from agricultural production;

(ii) the cost-effectiveness of each wetland easement, so as to maximize the environmental benefits per dollar expended;

(iii) whether the landowner or another person is offering to contribute financially to the cost of the wetland easement to leverage Federal funds; and

(iv) such other factors as the Secretary determines are necessary to carry out the purposes of the program.

(C) PRIORITY.—The Secretary shall place priority on acquiring wetland easements based on the value of the wetland easement for protecting and enhancing habitat for migratory birds and other wildlife.

(4) AGREEMENT.—To be eligible to place eligible land into the program through a wetland easement, the owner of such land shall enter into an agreement with the Secretary to—

(A) grant an easement on such land to the Secretary;

(B) authorize the implementation of a wetland easement plan developed for the eligible land under subsection (f);

(C) create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to;

(D) provide a written statement of consent to such easement signed by those holding a security interest in the land;

(E) comply with the terms and conditions of the easement and any related agreements; and

(F) permanently retire any existing base history for the land on which the easement has been obtained.

(5) TERMS AND CONDITIONS OF EASEMENT.—

(A) IN GENERAL.—A wetland easement shall include terms and conditions that—

(i) permit—

(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and

(II) owners to control public access on the easement areas while identifying access routes to be used for restoration activities and management and easement monitoring;

(ii) prohibit—

(I) the alteration of wildlife habitat and other natural features of such land, unless specifically authorized by the Secretary;

(II) the spraying of such land with chemicals or the mowing of such land, except where such spraying or mowing is authorized by the Secretary or is necessary—

(aa) to comply with Federal or State noxious weed control laws;

(bb) to comply with a Federal or State emergency pest treatment program; or

(cc) to meet habitat needs of specific wildlife species;

(III) any activities to be carried out on the owner's or successor's land that is immediately adjacent to, and functionally related to, the land that is subject to the easement if such activities will alter, degrade, or otherwise diminish the functional value of the eligible land; and

(IV) the adoption of any other practice that would tend to defeat the purposes of the program, as determined by the Secretary;

(iii) provide for the efficient and effective establishment of wildlife functions and values; and

(iv) include such additional provisions as the Secretary determines are desirable to carry out the program or facilitate the practical administration thereof.

(B) VIOLATION.—On the violation of the terms or conditions of a wetland easement, the wetland easement shall remain in force and the Secretary may require the owner to refund all or part of any payments received by the owner under the program, together with interest thereon as determined appropriate by the Secretary.

(C) COMPATIBLE USES.—Land subject to a wetland easement may be used for compatible economic uses, including such activities as hunting and fishing, managed timber harvest, or periodic haying or grazing, if such use is specifically permitted by the wetland easement plan developed for the land under subsection (f) and is consistent with the long-term protection and enhancement of the wetland resources for which the easement was established.

(D) RESERVATION OF GRAZING RIGHTS.—The Secretary may include in the terms and conditions of a wetland easement a provision under which the owner reserves grazing rights if—

(i) the Secretary determines that the reservation and use of the grazing rights—

(I) is compatible with the land subject to the easement;

(II) is consistent with the historical natural uses of the land and the long-term protection and enhancement goals for which the easement was established; and

(III) complies with the wetland easement plan developed for the land under subsection (f); and

(ii) the agreement provides for a commensurate reduction in the easement payment to account for the grazing value, as determined by the Secretary.

(6) COMPENSATION.—

(A) DETERMINATION.—

(i) PERMANENT EASEMENTS.—The Secretary shall pay as compensation for a permanent wetland easement acquired under the program an amount necessary to encourage enrollment in the program, based on the lowest of—

(I) the fair market value of the land, as determined by the Secretary, using the Uniform Standards of Professional Appraisal Practice or an area-wide market analysis or survey;

(II) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or

(III) the offer made by the landowner.

(ii) 30-YEAR EASEMENTS.—Compensation for a 30-year wetland easement shall be not less than 50 percent, but not more than 75 percent, of the compensation that would be paid for a permanent wetland easement.

(B) FORM OF PAYMENT.—Compensation for a wetland easement shall be provided by the Secretary in the form of a cash payment, in an amount determined under subparagraph (A).

(C) PAYMENT SCHEDULE.—

(i) EASEMENTS VALUED AT $500,000 OR LESS.—For wetland easements valued at $500,000 or less, the Secretary may provide easement payments in not more than 10 annual payments.

(ii) EASEMENTS VALUED AT MORE THAN $500,000.—For wetland easements valued at more than $500,000, the Secretary may provide easement payments in at least 5, but not more than 10 annual payments, except that, if the Secretary determines it would further the purposes of the program, the Secretary may make a lump sum payment for such an easement.

(c) EASEMENT RESTORATION.—

(1) IN GENERAL.—The Secretary shall provide financial assistance to owners of eligible land to carry out the establish-

ment of conservation measures and practices and protect wetland functions and values, including necessary maintenance activities, as set forth in a wetland easement plan developed for the eligible land under subsection (f).

(2) PAYMENTS.—The Secretary shall—

(A) in the case of a permanent wetland easement, pay an amount that is not less than 75 percent, but not more than 100 percent, of the eligible costs, as determined by the Secretary; and

(B) in the case of a 30-year wetland easement, pay an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs, as determined by the Secretary.

(d) TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall assist owners in complying with the terms and conditions of wetland easements.

(2) CONTRACTS OR AGREEMENTS.—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, non-governmental organization, or Indian tribe to carry out necessary restoration, enhancement, or maintenance of a wetland easement if the Secretary determines that the contract or agreement will advance the purposes of the program.

(e) WETLAND ENHANCEMENT OPTION.—The Secretary may enter into 1 or more agreements with a State (including a political subdivision or agency of a State), nongovernmental organization, or Indian tribe to carry out a special wetland enhancement option that the Secretary determines would advance the purposes of program.

(f) ADMINISTRATION.—

(1) WETLAND EASEMENT PLAN.—The Secretary shall develop a wetland easement plan for eligible lands subject to a wetland easement, which shall include practices and activities necessary to restore, protect, enhance, and maintain the enrolled lands.

(2) DELEGATION OF EASEMENT ADMINISTRATION.—The Secretary may delegate—

(A) any of the easement management, monitoring, and enforcement responsibilities of the Secretary to other Federal or State agencies that have the appropriate authority, expertise, and resources necessary to carry out such delegated responsibilities; and

(B) any of the easement management responsibilities of the Secretary to other conservation organizations if the Secretary determines the organization has the appropriate expertise and resources.

(3) PAYMENTS.—

(A) TIMING OF PAYMENTS.—The Secretary shall provide payment for obligations incurred by the Secretary under this section—

(i) with respect to any easement restoration obligation under subsection (c), as soon as possible after the obligation is incurred; and

(ii) with respect to any annual easement payment obligation incurred by the Secretary, as soon as possible after October 1 of each calendar year.

(B) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this section dies, becomes incompetent,

is otherwise unable to receive such payment, or is succeeded by another person or entity who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

SEC. 1265D. ADMINISTRATION.

(a) INELIGIBLE LAND.—The Secretary may not use program funds for the purposes of acquiring an easement on—

(1) lands owned by an agency of the United States, other than land held in trust for Indian tribes;

(2) lands owned in fee title by a State, including an agency or a subdivision of a State, or a unit of local government;

(3) land subject to an easement or deed restriction which, as determined by the Secretary, provides similar protection as would be provided by enrollment in the program; or

(4) lands where the purposes of the program would be undermined due to on-site or off-site conditions, such as risk of hazardous substances, proposed or existing rights of way, infrastructure development, or adjacent land uses.

(b) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to land that is currently enrolled in the conservation reserve program in a contract that is set to expire within 1 year and—

(1) in the case of an agricultural land easement, is grassland that would benefit from protection under a long-term easement; and

(2) in the case of a wetland easement, is a wetland or related area with the highest functions and value and is likely to return to production after the land leaves the conservation reserve program.

(c) SUBORDINATION, EXCHANGE, MODIFICATION, AND TERMINATION.—

(1) IN GENERAL.—The Secretary may subordinate, exchange, modify, or terminate any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program if the Secretary determines that—

(A) it is in the Federal Government's interest to subordinate, exchange, modify, or terminate the interest in land;

(B) the subordination, exchange, modification, or termination action—

(i) will address a compelling public need for which there is no practicable alternative; or

(ii) such action will further the practical administration of the program; and

(C) the subordination, exchange, modification, or termination action will result in comparable conservation value and equivalent or greater economic value to the United States.

(2) CONSULTATION.—The Secretary shall work with the owner, and eligible entity if applicable, to address any subordination, exchange, modification, or termination of the interest, or portion of such interest, in land.

(3) NOTICE.—At least 90 days before taking any termination action described in paragraph (1), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(d) LAND ENROLLED IN CONSERVATION RESERVE PROGRAM.—The Secretary may terminate or modify a contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program.

(e) ALLOCATION OF FUNDS FOR AGRICULTURAL LAND EASEMENTS.—Of the funds made available under section 1241 to carry out the program for a fiscal year, the Secretary shall, to the extent practicable, use for agricultural land easements—

(1) no less than 40 percent in each of fiscal years 2013 through 2016; and

(2) no less than 50 percent in fiscal year 2017.

Subtitle I—Regional Conservation Partnership Program

SEC. 1271. ESTABLISHMENT AND PURPOSES.

(a) ESTABLISHMENT.—The Secretary shall establish a regional conservation partnership program to implement eligible activities on eligible land through—

(1) partnership agreements with eligible partners; and

(2) contracts with producers.

(b) PURPOSES.—The purposes of the program are as follows:

(1) To use covered programs to accomplish purposes and functions similar to those of the following programs, as in effect on September 30, 2012:

(A) The agricultural water enhancement program established under section 1240I.

(B) The Chesapeake Bay watershed program established under section 1240Q.

(C) The cooperative conservation partnership initiative established under section 1243.

(D) The Great Lakes basin program for soil erosion and sediment control established under section 1240P.

(2) To further the conservation, restoration, and sustainable use of soil, water, wildlife, and related natural resources on eligible land on a regional or watershed scale.

(3) To encourage eligible partners to cooperate with producers in—

(A) meeting or avoiding the need for national, State, and local natural resource regulatory requirements related to production on eligible land; and

(B) implementing projects that will result in the carrying out of eligible activities that affect multiple agricultural or nonindustrial private forest operations on a local, regional, State, or multi-State basis.

SEC. 1271A. DEFINITIONS.

In this subtitle:

(1) COVERED PROGRAM.—The term "covered program" means the following:

(A) The agricultural conservation easement program.

(B) The environmental quality incentives program.

(C) The conservation stewardship program.

(2) ELIGIBLE ACTIVITY.—The term "eligible activity" means any of the following conservation activities:

(A) Water quality or quantity conservation, restoration, or enhancement projects relating to surface water and groundwater resources, including—

(i) the conversion of irrigated cropland to the production of less water-intensive agricultural commodities or dryland farming; or

(ii) irrigation system improvement and irrigation efficiency enhancement.

(B) Drought mitigation.

(C) Flood prevention.

(D) Water retention.

(E) Air quality improvement.

(F) Habitat conservation, restoration, and enhancement.

(G) Erosion control and sediment reduction.

(H) Other related activities that the Secretary determines will help achieve conservation benefits.

(3) ELIGIBLE LAND.—The term "eligible land" means land on which agricultural commodities, livestock, or forest-related products are produced, including—

(A) cropland;

(B) grassland;

(C) rangeland;

(D) pastureland;

(E) nonindustrial private forest land; and

(F) other land incidental to agricultural production (including wetlands and riparian buffers) on which significant natural resource issues could be addressed under the program.

(4) ELIGIBLE PARTNER.—The term "eligible partner" means any of the following:

(A) An agricultural or silvicultural producer association or other group of producers.

(B) A State or unit of local government.

(C) An Indian tribe.

(D) A farmer cooperative.

(E) A water district, irrigation district, rural water district or association, or other organization with specific water delivery authority to producers on agricultural land.

(F) An institution of higher education.

(G) An organization with an established history of working cooperatively with producers on agricultural land, as determined by the Secretary, to address—

(i) local conservation priorities related to agricultural production, wildlife habitat development, or nonindustrial private forest land management; or

(ii) critical watershed-scale soil erosion, water quality, sediment reduction, or other natural resource issues.

(5) PARTNERSHIP AGREEMENT.—The term "partnership agreement" means an agreement entered into under section 1271B between the Secretary and an eligible partner.

(6) PROGRAM.—The term "program" means the regional conservation partnership program established by this subtitle.

SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.

(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—The Secretary may enter into a partnership agreement with an eligible partner to implement a project that will assist producers with installing and maintaining an eligible activity on eligible land.

(b) LENGTH.—A partnership agreement shall be for a period not to exceed 5 years, except that the Secretary may extend the agreement one time for up to 12 months when an extension is necessary to meet the objectives of the program.

(c) DUTIES OF PARTNERS.—

(1) IN GENERAL.—Under a partnership agreement, the eligible partner shall—

(A) define the scope of a project, including—

(i) the eligible activities to be implemented;

(ii) the potential agricultural or nonindustrial private forest land operations affected;

(iii) the local, State, multi-State, or other geographic area covered; and

(iv) the planning, outreach, implementation, and assessment to be conducted;

(B) conduct outreach to producers for potential participation in the project;

(C) at the request of a producer, act on behalf of a producer participating in the project in applying for assistance under section 1271C;

(D) leverage financial or technical assistance provided by the Secretary with additional funds to help achieve the project objectives;

(E) conduct an assessment of the project's effects; and

(F) at the conclusion of the project, report to the Secretary on its results and funds leveraged.

(2) CONTRIBUTION.—An eligible partner shall provide a significant portion of the overall costs of the scope of the project that is the subject of the agreement entered into under subsection (a), as determined by the Secretary.

(d) APPLICATIONS.—

(1) COMPETITIVE PROCESS.—The Secretary shall conduct a competitive process to select applications for partnership agreements and may assess and rank applications with similar conservation purposes as a group.

(2) CRITERIA USED.—In carrying out the process described in paragraph (1), the Secretary shall make public the criteria used in evaluating applications.

(3) CONTENT.—An application to the Secretary shall include a description of—

(A) the scope of the project, as described in subsection (c)(1)(A);

(B) the plan for monitoring, evaluating, and reporting on progress made towards achieving the project's objectives;

(C) the program resources requested for the project, including the covered programs to be used and estimated funding needed from the Secretary;

(D) eligible partners collaborating to achieve project objectives, including their roles, responsibilities, capabilities, and financial contribution; and

(E) any other elements the Secretary considers necessary to adequately evaluate and competitively select applications for funding under the program.

(4) PRIORITY TO CERTAIN APPLICATIONS.—The Secretary may give a higher priority to applications that—

(A) assist producers in meeting or avoiding the need for a natural resource regulatory requirement;

(B) have a high percentage of eligible producers in the area to be covered by the agreement;

(C) significantly leverage non-Federal financial and technical resources and coordinate with other local, State, or national efforts;

(D) deliver high percentages of applied conservation to address conservation priorities or regional, State, or national conservation initiatives;

(E) provide innovation in conservation methods and delivery, including outcome-based performance measures and methods; or

(F) meet other factors that are important for achieving the purposes of the program, as determined by the Secretary.

SEC. 1271C. ASSISTANCE TO PRODUCERS.

(a) IN GENERAL.—The Secretary shall enter into contracts with producers to provide financial and technical assistance to—

(1) producers participating in a project with an eligible partner, as described in section 1271B; or

(2) producers that fit within the scope of a project described in section 1271B or a critical conservation area designated under section 1271F, but who are seeking to implement an eligible activity on eligible land independent of a partner.

(b) TERMS AND CONDITIONS.—

(1) CONSISTENCY WITH PROGRAM RULES.—Except as provided in paragraph (2), the Secretary shall ensure that the terms and conditions of a contract under this section are consistent with the applicable rules of the covered programs to be used as part of the project, as described in the application under section 1271B(d)(3)(C).

(2) ADJUSTMENTS.—Except with respect to statutory program requirements governing appeals, payment limitations, and conservation compliance, the Secretary may adjust the discretionary program rules of a covered program—

(A) to provide a simplified application and evaluation process; and

(B) to better reflect unique local circumstances and purposes if the Secretary determines such adjustments are necessary to achieve the purposes of the program.

(c) PAYMENTS.—

(1) IN GENERAL.—In accordance with statutory requirements of the covered programs involved, the Secretary may make pay-

ments to a producer in an amount determined by the Secretary to be necessary to achieve the purposes of the program.

(2) PAYMENTS TO PRODUCERS IN STATES WITH WATER QUANTITY CONCERNS.—The Secretary may provide payments to producers participating in a project that addresses water quantity concerns for a period of five years in an amount sufficient to encourage conversion from irrigated farming to dryland farming.

(3) WAIVER AUTHORITY.—To assist in the implementation of the program, the Secretary may waive the applicability of the limitation in section 1001D(b)(2) of this Act for participating producers if the Secretary determines that the waiver is necessary to fulfill the objectives of the program.

SEC. 1271D. FUNDING.

(a) AVAILABILITY OF FUNDS.—The Secretary shall use $100,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2013 through 2017 to carry out the program.

(b) DURATION OF AVAILABILITY.—Funds made available under subsection (a) shall remain available until expended.

(c) ADDITIONAL FUNDING AND ACRES.—

(1) IN GENERAL.—In addition to the funds made available under subsection (a), the Secretary shall reserve 6 percent of the funds and acres made available for a covered program for each of fiscal years 2013 through 2017 in order to ensure additional resources are available to carry out this program.

(2) UNUSED FUNDS AND ACRES.—Any funds or acres reserved under paragraph (1) for a fiscal year from a covered program that are not obligated under this program by April 1 of that fiscal year shall be returned for use under the covered program.

(d) ALLOCATION OF FUNDING.—Of the funds and acres made available for the program under subsections (a) and (c), the Secretary shall allocate—

(1) 25 percent of the funds and acres to projects based on a State competitive process administered by the State Conservationist, with the advice of the State technical committee established under subtitle G;

(2) 50 percent of the funds and acres to projects based on a national competitive process to be established by the Secretary; and

(3) 25 percent of the funds and acres to projects for the critical conservation areas designated under section 1271F.

(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available under the program may be used to pay for the administrative expenses of eligible partners.

SEC. 1271E. ADMINISTRATION.

(a) DISCLOSURE.—In addition to the criteria used in evaluating applications as described in section 1271B(d)(2), the Secretary shall make publicly available information on projects selected through the competitive process described in section 1271B(d)(1).

(b) REPORTING.—Not later than December 31, 2013, and every two years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status of projects funded under the program, including—

(1) the number and types of eligible partners and producers participating in the partnership agreements selected;

(2) the number of producers receiving assistance; and

(3) total funding committed to projects, including from Federal and non-Federal resources.

SEC. 1271F. CRITICAL CONSERVATION AREAS.

(a) IN GENERAL.—In administering funds under section 1271D(d)(3), the Secretary shall select applications for partnership agreements and producer contracts within critical conservation areas designated under this section.

(b) CRITICAL CONSERVATION AREA DESIGNATIONS.—

(1) PRIORITY.—In designating critical conservation areas under this section, the Secretary shall give priority to geographical areas based on the degree to which the geographical area—

(A) includes multiple States with significant agricultural production;

(B) is covered by an existing regional, State, binational, or multistate agreement or plan that has established objectives, goals, and work plans and is adopted by a Federal, State, or regional authority;

(C) would benefit from water quality improvement, including through reducing erosion, promoting sediment control, and addressing nutrient management activities affecting large bodies of water of regional, national, or international significance;

(D) would benefit from water quantity improvement, including improvement relating to—

(i) groundwater, surface water, aquifer, or other water sources; or

(ii) a need to promote water retention and flood prevention; or

(E) contains producers that need assistance in meeting or avoiding the need for a natural resource regulatory requirement that could have a negative economic impact on agricultural operations within the area.

(2) LIMITATION.—The Secretary may not designate more than 8 geographical areas as critical conservation areas under this section.

(c) ADMINISTRATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall administer any partnership agreement or producer contract under this section in a manner that is consistent with the terms of the program.

(2) RELATIONSHIP TO EXISTING ACTIVITY.—The Secretary shall, to the maximum extent practicable, ensure that eligible activities carried out in critical conservation areas designated under this section complement and are consistent with other Federal and State programs and water quality and quantity strategies.

(3) ADDITIONAL AUTHORITY.—For a critical conservation area described in subsection (b)(1)(D), the Secretary may use authorities under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.), other than section 14 of such Act (16

U.S.C. 1012), to carry out projects for the purposes of this section.

* * * * * * *

TITLE XIII—CREDIT

* * * * * * *

NONPROFIT NATIONAL RURAL DEVELQPMENT AND FINANCECORPORATIONS

SEC. 1323. (a) * * *

(b)(1) * * *

(2) All funds authorized under the Rural Development Loan Fund, including those on deposit and available upon date of enactment, under sections 623 and 633 of the Community Economic Development Act of 1981 (42 U.S.C. 9801 et seq.) shall be transferred to the Secretary provided that—

(A) all funds on deposit and available on date of enactment shall be used for the purpose of making grants under paragraph(1) and shall remain available until expended; *and*

(B) notwithstanding any other provision of law, all loans tointermediary borrowers made prior to date of enactment, shallupon date of enactment, for the life of such loan, bear a rate ofinterest not to exceed that in effect upon the date of issuance ofsuch loans; **[**and**]**.

[(C) notwithstanding paragraph (1), all funds other than funds to which subparagraph (A) applies shall be used by the Secretary to make loans—

[(i) to the entities;

[(ii) for the purposes; and

[(iii) subject to the terms and conditions;**]**

* * * * * * *

SECTION 902 OF THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT ACT OF 2000

SEC. 902. DEFINITIONS

In this title:

(1) * * *

(2) AGRICULTURAL PROGRAM..—The term "agricultural program" means—

(A) * * *

* * * * * * *

[(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14);**]**

[(E)**]** *(D)* any commercial export sale of agricultural commodities; or

[(F)**]** *(E)* any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

* * * * * * *

SECTION 3 OF THE ACT OF AUGUST 13, 1968

(Public Law 90-484)

AN ACT To provide indemnity payments to dairy farmers.

SEC. 3.The authority granted under this Act shall expire on September 30, [2012] *2017*.

* * * * * * *

DAIRY PRODUCTION STABILIZATION ACT OF 1983

TITLE I—DAIRY

* * * * * * *

Subtitle B—Dairy Promotion Program

* * * * * * *

REQUIRED TERMS IN ORDERS

SEC. 113. Any order issued under this subtitle shall contain terms and conditions as follows:

(a) * * *

* * * * * * *

(e) BUDGETS.—

(1) * * *

(2) FOREIGN MARKET EFFORTS.—The order shall authorize the Board to expend in the maintenance and expansion of foreign markets an amount not to exceed the amount collected from United States producers for a fiscal year. Of those funds, for each of the 2002 through [2012] *2017* fiscal years, the Board's budget may provide for the expenditure of revenues available to the Board to develop international markets for, and to promote within such markets, the consumption of dairy products produced or manufactured in the United States.

* * * * * * *

ACT OF FEBRUARY 20, 2003

(Public Law 108-7)

AN ACT Making consolidated appropriations for the fiscal year ending September 30, 2003, and for other purposes.

* * * * * * *

DIVISION A—AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES PROGRAMS APPROPRIATIONS, 2003

* * * * * * *

TITLE VII—GENERAL PROVISIONS

* * * * * * *

SEC. 767. (a) Notwithstanding any other provision of law, for purposes of administering **[**sections 1101 and 1102 of Public Law 107-171**]** *subtitle A of title I of the Federal Agriculture Reform and Risk Management Act of 2012*, acreage planted to, or prevented from being planted to, popcorn shall be considered as acreage planted to, or prevented from being planted to, corn: *Provided,* That if a farm program payment yield for corn is otherwise established for a farm under **[**such section 1102**]** *such subtitle*, the same yield shall be used for the acreage on the farm planted to, or prevented from being planted to, popcorn: *Provided further,* That with respect to all other farms, the farm program payment yield for such popcorn acreage shall be established by the Secretary on a fair and equitable basis to reflect the farm program payment yields for corn on similar farms in the area.

[(b) This section shall take effect on October 1, 2003.**]**

(b) This section, as amended by section 1608(c) of the Federal Agriculture Reform and Risk Management Act of 2012, shall take effect beginning with the 2013 crop year.

* * * * * * *

WATERSHED PROTECTION AND FLOOD PREVENTION ACT

* * * * * * *

SEC. 14. REHABILITATION OF STRUCTURAL MEASURES NEAR, AT, OR PAST THEIR EVALUATED LIFE EXPECTANCY.

(a) * * *

* * * * * * *

(h) FUNDING.—

(1) FUNDS OF COMMODITY CREDIT CORPORATION.—In carrying out this section, of the funds of the Commodity Credit Corporation, the Secretary shall make available, to remain available until expended—

(A) * * *

* * * * * * *

(E) $65,000,000 for fiscal year 2007**[**; and**]***;*

(F) $0 for fiscal year 2008**[**.**]***;*

(G) $100,000,000 for fiscal year 2009, to be available until expended**[**.**]***; and*

(H) $250,000,000 for fiscal year 2013, to remain available until expended.

(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under paragraph (1), there are authorized to be appropriated to the Secretary to carry out this section, to remain available until expended—

(A) * * *

* * * * * * *

(E) $85,000,000 for each of fiscal years 2008 through [2012] *2017.*

* * * * * * *

FEDERAL CROP INSURANCE ACT

Subtitle A—Federal Crop Insurance Act

* * * * * * *

SEC. 502. PURPOSE AND DEFINITIONS.

(a) * * *

(b) DEFINITIONS.—As used in this subtitle:

(1) * * *

* * * * * * *

(3) BEGINNING FARMER OR RANCHER.—The term "beginning farmer or rancher" means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 5 crop years, as determined by the Secretary.

[(3)] *(4)* BOARD.—The term "Board" means the Board of Directors of the Corporation established under section 505(a).

[(4)] *(5)* CORPORATION.—The term "Corporation" means the Federal Crop Insurance Corporation established under section 503.

[(5)] *(6)* DEPARTMENT.—The term "Department" means the United States Department of Agriculture.

[(6)] *(7)* LOSS RATIO.—The term "loss ratio" means the ratio of all sums paid by the Corporation as indemnities under any eligible crop insurance policy to that portion of the premium designated for anticipated losses and a reasonable reserve, other than that portion of the premium designated for operating and administrative expenses.

[(7)] *(8)* ORGANIC CROP.—The term "organic crop" means an agricultural commodity that is organically produced consistent with section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502).

[(8)] *(9)* SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

[(9)] *(10)* TRANSITIONAL YIELD.—The term "transitional yield" means the maximum average production per acre or equivalent measure that is assigned to acreage for a crop year by the Corporation in accordance with the regulations of the Corporation whenever the producer fails—

(A) * * *

* * * * * * *

(c) PROTECTION OF CONFIDENTIAL INFORMATION.—

(1) * * *

* * * * * * *

(4) INFORMATION.—

(A) REQUEST.—Subject to subparagraph (B), the Farm Service Agency shall, in a timely manner, provide to an agent or an approved insurance provider authorized by the producer any information (including Farm Service Agency Form 578s (or any successor form) or maps (or any corrections to those forms or maps) that may assist the agent or approved insurance provider in insuring the producer under a policy or plan of insurance under this subtitle.

(B) PRIVACY.—Except as provided in subparagraph (C), an agent or approved insurance provider that receives the information of a producer pursuant to subparagraph (A) shall treat the information in accordance with paragraph (1).

(C) SHARING.—Nothing in this section prohibits the sharing of the information of a producer pursuant to subparagraph (A) between the agent and the approved insurance provider of the producer.

* * * * * * *

SEC. 508. CROP INSURANCE.

(a) AUTHORITY TO OFFER INSURANCE.—

(1) * * *

* * * * * * *

(9) PREMIUM ADJUSTMENTS.—

(A) * * *

(B) EXCEPTIONS.—Subparagraph (A) does not apply with respect to—

(i) a payment authorized under subsection (b)(5)(B); *or*

[(ii) a performance-based discount authorized under subsection (d)(3); or**]**

[(iii)**]** *(ii)* a patronage dividend, or similar payment, that is paid—

(I) * * *

* * * * * * *

(C) PUBLICATION OF VIOLATIONS.—

(i) PUBLICATION REQUIRED.—Subject to clause (ii), the Corporation shall publish in a timely manner on the website of the Risk Management Agency information regarding each violation of this paragraph, including any sanctions imposed in response to the violation, in sufficient detail so that the information may serve as effective guidance to approved insurance providers, agents, and producers.

(ii) PROTECTION OF PRIVACY.—In providing information under clause (i) regarding violations of this paragraph, the Corporation shall redact the identity of the

persons and entities committing the violations in order to protect their privacy.

* * * * * * *

(b) CATASTROPHIC RISK PROTECTION.—

(1) * * *

* * * * * * *

(5) ADMINISTRATIVE FEE.—

(A) * * *

* * * * * * *

(E) WAIVER OF FEE.—The Corporation shall waive the amounts required under this paragraph for limited resource farmers *and beginning farmers or ranchers*, as defined by the Corporation.

* * * * * * *

[(7) ELIGIBILITY FOR DEPARTMENT PROGRAMS.—

[(A) IN GENERAL.—Effective for the spring-planted 1996 and subsequent crops (and fall-planted 1996 crops at the option of the Secretary), to be eligible for any payment or loan under the Agricultural Market Transition Act, for the conservation reserve program, or for any benefit described in section 371 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008f), a person shall—

[(i) obtain at least the catastrophic level of insurance for each crop of economic significance in which the person has an interest; or

[(ii) provide a written waiver to the Secretary that waives any eligibility for emergency crop loss assistance in connection with the crop.

[(B) DEFINITION OF CROP OF ECONOMIC SIGNIFICANCE.—As used in this paragraph, the term "crop of economic significance" means a crop that has contributed, or is expected to contribute, 10 percent or more of the total expected value of all crops grown by the producer.]

[(8)] *(7)* LIMITATION DUE TO RISK.—The Corporation may limit catastrophic risk coverage in any county or area, or on any farm, on the basis of the insurance risk concerned.

[(9)] *(8)* TRANSITIONAL COVERAGE FOR 1995 CROPS.—Effective only for a 1995 crop planted or for which insurance attached prior to January 1, 1995, the Corporation shall allow producers of the crops until not later than the end of the 180-day period beginning on the date of enactment of the Federal Crop Insurance Reform Act of 1994 to obtain catastrophic risk protection for the crop. On enactment of such Act, a producer who made timely purchases of a crop insurance policy before the date of enactment of such Act, under the provisions of this subtitle then in effect, shall be eligible for the same benefits to which a producer would be entitled under comparable additional coverage under subsection (c).

[(10)] *(9)* SIMPLIFICATION.—

(A) * * *

* * * * * * *

[(11)] *(10)* LOSS ADJUSTMENT.—The rate for reimbursing an approved insurance provider or agent for expenses incurred by the approved insurance provider or agent for loss adjustment in connection with a policy of catastrophic risk protection shall not exceed 6 percent of the premium for catastrophic risk protection that is used to define loss ratio.

(c) GENERAL COVERAGE LEVELS.—

(1) * * *

* * * * * * *

[(3) YIELD AND LOSS BASIS.—A producer shall have the option of purchasing additional coverage based on an individual yield and loss basis or on an area yield and loss basis, if both options are offered by the Corporation.

[(4) LEVEL OF COVERAGE.—The level of coverage shall be dollar denominated and may be purchased at any level not to exceed 85 percent of the individual yield or 95 percent of the area yield (as determined by the Corporation). Not later than the beginning of the 1996 crop year, the Corporation shall provide producers with information on catastrophic risk and additional coverage in terms of dollar coverage (within the allowable limits of coverage provided in this paragraph).]

(3) YIELD AND LOSS BASIS OPTIONS.—A producer shall have the option of purchasing additional coverage based on—

(A)(i) an individual yield and loss basis; or

(ii) an area yield and loss basis;

(B) an individual yield and loss basis, supplemented with coverage based on an area yield and loss basis to cover a part of the deductible under the individual yield and loss policy, as described in paragraph (4)(C); or

(C) a margin basis alone or in combination with the coverages available in subparagraph (A) or (B).

(4) LEVEL OF COVERAGE.—

(A) DOLLAR DENOMINATION AND PERCENTAGE OF YIELD.—Except as provided in subparagraph (C), the level of coverage—

(i) shall be dollar denominated; and

(ii) may be purchased at any level not to exceed 85 percent of the individual yield or 95 percent of the area yield (as determined by the Corporation).

(B) INFORMATION.—The Corporation shall provide producers with information on catastrophic risk and additional coverage in terms of dollar coverage (within the allowable limits of coverage provided in this paragraph).

(C) SUPPLEMENTAL COVERAGE OPTION.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), in the case of the supplemental coverage option described in paragraph (3)(B), the Corporation shall offer producers the opportunity to purchase coverage in combination with a policy or plan of insurance offered under this subtitle that would allow indemnities to be paid to a producer equal to a part of the deductible under the policy or plan of insurance—

(I) at a county-wide level to the fullest extent practicable; or

(II) in counties that lack sufficient data, on the basis of such larger geographical area as the Corporation determines to provide sufficient data for purposes of providing the coverage.

(ii) TRIGGER.—Coverage offered under paragraph (3)(B) and clause (i) shall be triggered only if the losses in the area exceed 10 percent of normal levels (as determined by the Corporation).

(iii) COVERAGE.—Subject to the trigger described in clause (ii), coverage offered under paragraph (3)(B) and clause (i) shall not exceed the difference between—

(I) 90 percent; and

(II) the coverage level selected by the producer for the underlying policy or plan of insurance.

(iv) INELIGIBLE CROPS AND ACRES.—Crops for which the producer has elected under section 1107(c)(1) of the Federal Agriculture Reform and Risk Management Act of 2012 to receive revenue loss coverage and acres that are enrolled in the stacked income protection plan under section 508B shall not be eligible for supplemental coverage under this subparagraph.

(v) CALCULATION OF PREMIUM.—Notwithstanding subsection (d), the premium for coverage offered under paragraph (3)(B) and clause (i) shall—

(I) be sufficient to cover anticipated losses and a reasonable reserve; and

(II) include an amount for operating and administrative expenses established in accordance with subsection (k)(4)(F).

* * * * * * *

(d) PREMIUMS.—

(1) * * *

(2) PREMIUM AMOUNTS.—The premium amounts for catastrophic risk protection under subsection (b) and additional coverage under subsection (c) shall be fixed as follows:

[(A) In the case of catastrophic risk protection, the amount of the premium shall be sufficient to cover anticipated losses and a reasonable reserve.**]**

(A) In the case of catastrophic risk protection, the amount of the premium established by the Corporation for each crop for which catastrophic risk protection is available shall be reduced by the percentage equal to the difference between the average loss ratio for the crop and 100 percent, plus a reasonable reserve.

* * * * * * *

[(3) PERFORMANCE-BASED DISCOUNT.—The Corporation may provide a performance-based premium discount for a producer of an agricultural commodity who has good insurance or production experience relative to other producers of that agricultural commodity in the same area, as determined by the Corporation.**]**

[(4)**]** *(3)* BILLING DATE FOR PREMIUMS.—Effective beginning with the 2012 reinsurance year, the Corporation shall establish August 15 as the billing date for premiums.

(e) PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—

(1) * * *

(2) AMOUNT OF PAYMENT.—Subject to paragraph (3), the amount of the premium to be paid by the Corporation shall be as follows:

(A) * * *

* * * * * * *

(H) In the case of the supplemental coverage option authorized in subsection (c)(4)(C), the amount shall be equal to the sum of—

(i) 70 percent of the additional premium associated with the coverage; and

(ii) the amount determined under subsection (c)(4)(C)(vi)(II), subject to subsection (k)(4)(F), for the coverage to cover operating and administrative expenses.

* * * * * * *

(5) ENTERPRISE AND WHOLE FARM UNITS.—

[(A) IN GENERAL.—The Corporation may carry out a pilot program under which the Corporation pays a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2).]

(A) IN GENERAL.—The Corporation may pay a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2).

* * * * * * *

(D) NONIRRIGATED CROPS.—Beginning with the 2013 crop year, the Corporation shall make available separate enterprise units for irrigated and nonirrigated acreage of crops in counties.

* * * * * * *

(8) PREMIUM FOR BEGINNING FARMERS OR RANCHERS.—Notwithstanding any other provision of this subsection regarding payment of a portion of premiums, a beginning farmer or rancher shall receive premium assistance that is 10 percentage points greater than premium assistance that would otherwise be available under paragraphs (2) (except for subparagraph (A) of that paragraph), (5), (6), and (7) for the applicable policy, plan of insurance, and coverage level selected by the beginning farmer or rancher.

* * * * * * *

(g) YIELD DETERMINATIONS.—

(1) * * *

(2) YIELD COVERAGE PLANS.—

(A) * * *

(B) ASSIGNED YIELD.—If the producer does not provide satisfactory evidence of the yield of a commodity under subparagraph (A), the producer shall be assigned—

(i) a yield that is not less than 65 percent of the transitional yield of the producer (adjusted to reflect actual production reflected in the records acceptable to the Corporation for continuous years), as specified in regulations issued by the Corporation based on production history requirements; [or]

(ii) a yield determined by the Corporation, in the case of—

(I) * * *

* * * * * * *

(III) a producer that rotates a crop produced on a farm to a crop that has not been produced on the farm[.]*; or*

(iii) if the producer is a beginning farmer or rancher who was previously involved in a farming or ranching operation, including involvement in the decision-making or physical involvement in the production of the crop or livestock on the farm, for any acreage obtained by the beginning farmer or rancher, a yield that is the higher of—

(I) the actual production history of the previous producer of the crop or livestock on the acreage determined under subparagraph (A); or

(II) a yield of the producer, as determined in clause (i).

* * * * * * *

(E) SOURCES OF YIELD DATA.—To determine yields under this paragraph, the Corporation—

(i) shall use county data collected by the Risk Management Agency or the National Agricultural Statistics Service, or both; or

(ii) if sufficient county data is not available, may use other data considered appropriate by the Secretary.

* * * * * * *

(4) ADJUSTMENT IN ACTUAL PRODUCTION HISTORY TO ESTABLISH INSURABLE YIELDS.—

(A) * * *

(B) ELECTION TO USE PERCENTAGE OF TRANSITIONAL YIELD.—If, for one or more of the crop years used to establish the producer's actual production history of an agricultural commodity, the producer's recorded or appraised yield of the commodity was less than [60] *70* percent of the applicable transitional yield, as determined by the Corporation, the Corporation shall, at the election of the producer—

(i) * * *

(ii)*(I)* replace each excluded yield with a yield equal to [60] *70* percent of the applicable transitional yield[.]*; or*

(II) in the case of beginning farmers or ranchers, replace each excluded yield with a yield equal to 80 percent of the applicable transitional yield.

* * * * * * *

(h) SUBMISSION OF POLICIES AND MATERIALS TO BOARD.—

[(1) IN GENERAL.—In addition]

(1) AUTHORITY TO SUBMIT.—

(A) IN GENERAL.—In addition to any standard forms or policies that the Board may require be made available to producers under subsection (c), a person (including an approved insurance provider, a college or university, a cooperative or trade association, or any other person) may prepare for submission or propose to the Board—

[(A)] *(i)* other crop insurance policies and provisions of policies; and

[(B)] *(ii)* rates of premiums for multiple peril crop insurance pertaining to wheat, soybeans, field corn, and any other crops determined by the Secretary.

(B) REVIEW AND SUBMISSION BY CORPORATION.—The Corporation shall review any policy developed under section 522(c) or any pilot program developed under section 523 and submit the policy or program to the Board under this subsection if the Corporation, at the sole discretion of the Corporation, finds that the policy or program—

(i) will likely result in a viable and marketable policy consistent with this subsection;

(ii) would provide crop insurance coverage in a significantly improved form; and

(iii) adequately protects the interests of producers.

* * * * * * *

(3) REVIEW AND APPROVAL BY THE BOARD.—[A policy]

(A) IN GENERAL.—A policy or other material submitted to the Board under this subsection shall be reviewed by the Board and, if the Board finds that the interests of producers are adequately protected and that any premiums charged to the producers are actuarially appropriate, shall be approved by the Board for reinsurance and for sale by approved insurance providers to producers as an additional choice at actuarially appropriate rates and under appropriate terms and conditions. The Corporation may enter into more than 1 reinsurance agreement with the approved insurance provider simultaneously to facilitate the offering of the new policies.

(B) SPECIFIED REVIEW AND APPROVAL PRIORITIES.—In reviewing policies and other materials submitted to the Board under this subsection for approval, the Board—

(i) shall make the development and approval of a revenue policy for peanut producers a priority so that a revenue policy is available to peanut producers in time for the 2013 crop year;

(ii) shall make the development and approval of a downed rice policy and margin coverage policy for rice producers a priority so that each policy is available to rice producers in time for the 2013 crop year; and

(iii) may approve a submission that is made pursuant to this subsection that would, beginning with the 2013 crop year, allow producers that purchase policies in accordance with subsection (e)(5)(A) to separate en-

terprise units by risk rating for acreage of crops in counties.

* * * * * * *

(k) REINSURANCE.—

(1) * * *

* * * * * * *

(4) RATE.—

(A) * * *

* * * * * * *

(F) REIMBURSEMENT RATE FOR AREA POLICIES AND PLANS OF INSURANCE.—Notwithstanding subparagraphs (A) through (E), for each of the 2009 and subsequent reinsurance years, the reimbursement rate for area policies and plans of insurance widely available as of the date of enactment of this subparagraph *or authorized under subsection (c)(4)(C) or section 508B* shall be 12 percent of the premium used to define loss ratio for that reinsurance year.

* * * * * * *

(o) CROP PRODUCTION ON NATIVE SOD.—

(1) DEFINITION OF NATIVE SOD.—In this subsection, the term "native sod" means land—

(A) * * *

(B) that has never been tilled*, or the producer cannot substantiate that the ground has ever been tilled,* for the production of an annual crop as of the date of enactment of this subsection.

(2) [INELIGIBILITY FOR] *REDUCTION IN* BENEFITS.—

(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (3), native sod acreage that has been tilled for the production of an annual crop after the date of enactment of this subsection shall be ineligible during the first 5 crop years of planting, as determined by the Secretary, [for benefits under—

[(i) this subtitle; and

[(ii) section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).] *for—*

(i) a portion of crop insurance premium subsidies under this subtitle in accordance with paragraph (3);

(ii) benefits under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

(iii) payments described in subsection (b) or (c) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

* * * * * * *

[(3) APPLICATION.—Paragraph (2) may apply to native sod acreage in the Prairie Pothole National Priority Area at the election of the Governor of the respective State.]

(3) ADMINISTRATION.—

(A) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in paragraph (2)—

(i) paragraph (2) shall apply to 65 percent of the transitional yield of the producer; and

(ii) the crop insurance premium subsidy provided for the producer under this subtitle shall be 50 percentage points less than the premium subsidy that would otherwise apply.

(B) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this subsection, a producer may not substitute yields for the native sod acreage.

(4) APPLICATION.—This subsection shall only apply to native sod in the Prairie Pothole National Priority Area.

* * * * * * *

SEC. 508B. STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.

(a) AVAILABILITY.—Beginning not later than the 2013 crop of upland cotton, the Corporation shall make available to producers of upland cotton an additional policy (to be known as the "Stacked Income Protection Plan"), which shall provide coverage consistent with the Group Risk Income Protection Plan (and the associated Harvest Revenue Option Endorsement) offered by the Corporation for the 2011 crop year.

(b) REQUIRED TERMS.—The Corporation may modify the Stacked Income Protection Plan on a program-wide basis, except that the Stacked Income Protection Plan shall comply with the following requirements:

(1) Provide coverage for revenue loss of not less than 10 percent and not more than 30 percent of expected county revenue, specified in increments of 5 percent. The deductible is the minimum percent of revenue loss at which indemnities are triggered under the plan, not to be less than 10 percent of the expected county revenue.

(2) Be offered to producers of upland cotton in all counties with upland cotton production—

(A) at a county-wide level to the fullest extent practicable; or

(B) in counties that lack sufficient data, on the basis of such larger geographical area as the Corporation determines to provide sufficient data for purposes of providing the coverage.

(3) Be purchased in addition to any other individual or area coverage in effect on the producer's acreage or as a stand-alone policy, except that if a producer has an individual or area coverage for the same acreage, the maximum coverage available under the Stacked Income Protection Plan shall not exceed the deductible for the individual or area coverage.

(4) Establish coverage based on—

(A) an expected price that is the higher of—

(i) the expected price established under existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year; or

(ii) $0.6861 per pound; and

(B) an expected county yield that is the higher of—

(i) the expected county yield established for the existing area-wide plans offered by the Corporation for the applicable county (or area) and crop year (or, in geographic areas where area-wide plans are not offered, an expected yield determined in a manner consistent with those of area-wide plans); or

(ii) the average of the applicable yield data for the county (or area) for the most recent 5 years, excluding the highest and lowest observations, from the Risk Management Agency or the National Agricultural Statistics Service (or both) or, if sufficient county data is not available, such other data considered appropriate by the Secretary.

(5) Use a multiplier factor to establish maximum protection per acre (referred to as a "protection factor") of not less than the higher of the level established on a program wide basis or 120 percent.

(6) Pay an indemnity based on the amount that the expected county revenue exceeds the actual county revenue, as applied to the individual coverage of the producer. Indemnities under the Stacked Income Protection Plan shall not include or overlap the amount of the deductible selected under paragraph (1).

(7) In all counties for which data are available, establish separate coverage levels for irrigated and non-irrigated practices.

(c) REINSURANCE.—When the $0.6861 reference price is equal to or greater than the expected price established under the existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year or the yield established under subsection (b)(4)(B) is used to establish the expected county yield, the Corporation shall reinsure at 100 percent that portion of the indemnity that is attributable to the difference between—

(1) the $0.6861 reference price and the expected price established under the existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year; and

(2) the yield established under subsection (b)(4)(B).

(d) PREMIUM.—Notwithstanding section 508(d), the premium for the Stacked Income Protection Plan shall—

(1) be sufficient to cover anticipated losses and a reasonable reserve; and

(2) include an amount for operating and administrative expenses established in accordance with section 508(k)(4)(F).

(e) PAYMENT OF PORTION BY CORPORATION.—Subject to section 508(e)(4), the amount of premium paid by the Corporation for all qualifying coverage levels of the Stacked Income Protection Plan shall be—

(1) 80 percent of the amount of the premium established under subsection (d) for the coverage level selected; and

(2) the amount determined under subsection (d)(2), subject to section 508(k)(4)(F), for the coverage to cover administrative and operating expenses.

(f) RELATION TO OTHER COVERAGES.—The Stacked Income Protection Plan is in addition to all other coverages available to producers of upland cotton.

SEC. 508C. PEANUT REVENUE CROP INSURANCE.

(a) IN GENERAL.—Effective beginning with the 2013 crop year, the Risk Management Agency and the Corporation shall make available to producers of peanuts a revenue crop insurance program for peanuts.

(b) EFFECTIVE PRICE.—Subject to subsection (c), for purposes of the revenue crop insurance program and the multiperil crop insurance program under this Act, the effective price for peanuts shall be equal to the Rotterdam price index for peanuts, as adjusted to reflect the farmer stock price of peanuts in the United States.

(c) ADJUSTMENTS.—

(1) IN GENERAL.—The effective price for peanuts established under subsection (b) may be adjusted by the Risk Management Agency and the Corporation to correct distortions.

(2) ADMINISTRATION.—If an adjustment is made under paragraph (1), the Risk Management Agency and the Corporation shall—

(A) make the adjustment in an open and transparent manner; and

(B) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the reasons for the adjustment.

* * * * * * *

SEC. 515. PROGRAM COMPLIANCE AND INTEGRITY.

(a) * * *

* * * * * * *

(c) RECONCILING PRODUCER INFORMATION.—[The Secretary]

(1) IN GENERAL.—The Secretary shall develop and implement a coordinated plan for the Corporation and the Farm Service Agency to reconcile all relevant information received by the Corporation or the Farm Service Agency from a producer who obtains crop insurance coverage under this subtitle. [Beginning with]

(2) FREQUENCY.—Beginning with the 2001 crop year, the Secretary shall require that the Corporation and the Farm Service Agency reconcile such producer-derived information on at least an annual basis in order to identify and address any discrepancies.

(3) CORRECTIONS.—

(A) IN GENERAL.—In addition to the corrections permitted by the Corporation as of the date of enactment of the Federal Agriculture Reform and Risk Management Act of 2012, the Corporation shall allow an agent or an approved insurance provider, subject to subparagraph (B)—

(i) within a reasonable amount of time following the applicable sales closing date, to correct unintentional errors in information that is provided by a producer for the purpose of obtaining coverage under any policy or plan of insurance made available under this subtitle to ensure that the eligibility information is correct;

(ii) within a reasonable amount of time following—

(I) the acreage reporting date, to correct unintentional errors in factual information that is pro-

vided by a producer after the sales closing date to reconcile the information with the information reported by the producer to the Farm Service Agency; or

(II) the date of any subsequent correction of data by the Farm Service Agency made as a result of the verification of information; and

(iii) at any time, to correct unintentional errors that were made by the Farm Service Agency or an agent or approved insurance provider in transmitting the information provided by the producer to the approved insurance provider or the Corporation.

(B) LIMITATION.—In accordance with the procedures of the Corporation, correction to the information described in clauses (i) and (ii) of subparagraph (A) may only be made if the corrections do not allow the producer—

(i) to avoid ineligibility requirements for insurance;

(ii) to obtain, enhance, or increase an insurance guarantee or indemnity, or avoid premium owed, if a cause of loss exists or has occurred before any correction has been made; or

(iii) to avoid an obligation or requirement under any Federal or State law.

(C) EXCEPTION TO LATE FILING SANCTIONS.—Any corrections made pursuant to this paragraph shall not be subject to any late filing sanctions authorized in the reinsurance agreement with the Corporation.

* * * * * * *

(j) INFORMATION MANAGEMENT.—

[(1) SYSTEMS UPGRADES.—The Secretary shall upgrade the information management systems of the Corporation used in the administration and enforcement and this subtitle. In upgrading the systems, the Secretary shall ensure that new hardware and software are compatible with the hardware and software used by other agencies of the Department to maximize data sharing and promote the purpose of this section.]

(1) SYSTEMS MAINTENANCE AND UPGRADES.—

(A) IN GENERAL.—The Secretary shall maintain and upgrade the information management systems of the Corporation used in the administration and enforcement of this subtitle.

(B) REQUIREMENT.—

(i) IN GENERAL.—In maintaining and upgrading the systems, the Secretary shall ensure that new hardware and software are compatible with the hardware and software used by other agencies of the Department to maximize data sharing and promote the purposes of this section.

(ii) ACREAGE REPORT STREAMLINING INITIATIVE PROJECT.—As soon as practicable, the Secretary shall develop and implement an acreage report streamlining initiative project to allow producers to report acreage and other information directly to the Department.

* * * * * * *

(k) FUNDING.—

[(1) INFORMATION TECHNOLOGY.—To carry out subsection (j)(1), the Corporation may use, from amounts made available from the insurance fund established under section 516(c), not more than $15,000,000 for each of fiscal years 2008 through 2010, and not more than $9,000,000 for fiscal year 2011.]

(1) INFORMATION TECHNOLOGY.—

(A) IN GENERAL.—For purposes of subsection (j)(1), the Corporation may use, from amounts made available from the insurance fund established under section 516(c), not more than—

(i)(I) for fiscal year 2013, $25,000,000; and

(II) for each of fiscal years 2014 through 2017, $10,000,000; or

(ii) if the Acreage Crop Reporting Streamlining Initiative (ACRSI) project is substantially completed by September 30, 2014, not more than $15,000,000 for each of the fiscal years 2014 through 2017.

(B) NOTIFICATION.—The Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the substantial completion of the Acreage Crop Reporting Streamlining Initiative (ACRSI) project not later than July 1, 2014.

* * * * * * *

SEC. 522. RESEARCH AND DEVELOPMENT.

(a) * * *

* * * * * * *

(c) RESEARCH AND DEVELOPMENT CONTRACTING AUTHORITY.—

(1) * * *

* * * * * * *

(6) RESEARCH AND DEVELOPMENT PRIORITIES.—The Corporation shall establish as one of the highest research and development priorities of the Corporation the development of [a pasture, range, and forage program] *policies that increase participation by producers of underserved agricultural commodities, including sweet sorghum, biomass sorghum, rice, peanuts, and sugarcane*.

* * * * * * *

(10) CONTRACTS FOR ORGANIC PRODUCTION COVERAGE IMPROVEMENTS.—

(A) CONTRACTS REQUIRED.—Not later than 180 days after the date of enactment of [the Food, Conservation, and Energy Act of 2008] *the Federal Agriculture Reform and Risk Management Act of 2012*, the Corporation shall enter into 1 or more contracts for the development of improvements in Federal crop insurance policies covering crops produced in compliance with standards issued by the Department of Agriculture under the national organic program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

(B) REVIEW OF UNDERWRITING RISK AND LOSS EXPERIENCE.—

(i) * * *

* * * * * * *

(iii) ANNUAL UPDATES.—Beginning with the [2009] *2013* crop year, the review under this subparagraph shall be updated on an annual basis as data is accumulated by the Secretary and other sources, so that the Corporation may make determinations regarding adjustments to the surcharge in a timely manner as quickly as evolving practices and data trends allow.

(C) ADDITIONAL PRICE ELECTION.—

(i) * * *

(ii) TIMING.—The development of the procedure shall be completed in a timely manner to allow the Corporation to begin offering the additional price election for organic crops with sufficient data for the [2010] *2013* crop year.

(iii) EXPANSION.—The procedure shall be expanded as quickly as practicable as additional data on prices of organic crops collected by the Secretary and other sources of information becomes available, with a goal of applying this procedure to all organic crops not later than the fifth full crop year that begins after the date of enactment of [Food, Conservation, and Energy Act of 2008] *the Federal Agriculture Reform and Risk Management Act of 2012*.

* * * * * * *

(17) MARGIN COVERAGE FOR CATFISH.—

(A) IN GENERAL.—The Corporation shall offer to enter into a contract with a qualified entity to conduct research and development regarding a policy to insure producers against reduction in the margin between the market value of catfish and selected costs incurred in the production of catfish.

(B) ELIGIBILITY.—Eligibility for the policy described in subparagraph (A) shall be limited to freshwater species of catfish that are propagated and reared in controlled or selected environments.

(C) IMPLEMENTATION.—The Board shall review the policy described in subparagraph (B) under subsection 508(h) and approve the policy if the Board finds that the policy—

(i) will likely result in a viable and marketable policy consistent with this subsection;

(ii) would provide crop insurance coverage in a significantly improved form;

(iii) adequately protects the interests of producers; and

(iv) the proposed policy meets other requirements of this subtitle determined appropriate by the Board.

(18) BIOMASS AND SWEET SORGHUM ENERGY CROP INSURANCE POLICIES.—

(A) AUTHORITY.—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding—

(i) a policy to insure biomass sorghum that is grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products; and

(ii) a policy to insure sweet sorghum that is grown for a purpose described in clause (i).

(B) RESEARCH AND DEVELOPMENT.—Research and development with respect to each of the policies required in subparagraph (A) shall evaluate the effectiveness of risk management tools for the production of biomass sorghum or sweet sorghum, including policies and plans of insurance that—

(i) are based on market prices and yields;

(ii) to the extent that insufficient data exist to develop a policy based on market prices and yields, evaluate the policies and plans of insurance based on the use of weather indices, including excessive or inadequate rainfall, to protect the interest of crop producers; and

(iii) provide protection for production or revenue losses, or both.

(19) STUDY ON SWINE CATASTROPHIC DISEASE PROGRAM.—

(A) IN GENERAL.—The Corporation shall contract with a qualified person to conduct a study to determine the feasibility of insuring swine producers for a catastrophic event.

(B) REPORT.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

(20) WHOLE FARM DIVERSIFIED RISK MANAGEMENT INSURANCE PLAN.—

(A) IN GENERAL.—The Corporation shall conduct activities or enter into contracts to carry out research and development to develop a whole farm risk management insurance plan, with a liability limitation of $1,000,000, that allows a diversified crop or livestock producer the option to qualify for an indemnity if actual gross farm revenue is below 85 percent of the average gross farm revenue or the expected gross farm revenue that can reasonably be expected of the producer, as determined by the Corporation.

(B) ELIGIBLE PRODUCERS.—The Corporation shall permit producers (including direct-to-consumer marketers and producers servicing local and regional and farm identity-preserved markets) who produce multiple agricultural commodities, including specialty crops, industrial crops, livestock, and aquaculture products, to participate in the plan in lieu of any other plan under this subtitle.

(C) DIVERSIFICATION.—The Corporation may provide diversification-based additional coverage payment rates, premium discounts, or other enhanced benefits in recognition of the risk management benefits of crop and livestock diversification strategies for producers that grow multiple crops or that may have income from the production of livestock that uses a crop grown on the farm.

(D) MARKET READINESS.—The Corporation may include coverage for the value of any packing, packaging, or any other similar on-farm activity the Corporation determines to be the minimum required in order to remove the commodity from the field.

(E) REPORT.—Not later than 2 years after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results and feasibility of the research and development conducted under this paragraph, including an analysis of potential adverse market distortions.

(21) STUDY OF FOOD SAFETY INSURANCE.—

(A) IN GENERAL.—The Corporation shall offer to enter into a contract with 1 or more qualified entities to conduct a study to determine whether offering policies that provide coverage for specialty crops from food safety and contamination issues would benefit agricultural producers.

(B) SUBJECT.—The study described in subparagraph (A) shall evaluate policies and plans of insurance coverage that provide protection for production or revenue impacted by food safety concerns including, at a minimum, government, retail, or national consumer group announcements of a health advisory, removal, or recall related to a contamination concern.

(C) REPORT.—Not later than 1 year after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

(22) STUDY ON POULTRY CATASTROPHIC DISEASE PROGRAM.—

(A) IN GENERAL.—The Corporation shall contract with a qualified person to conduct a study to determine the feasibility of insuring poultry producers for a catastrophic event.

(B) REPORT.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).

(23) POULTRY BUSINESS INTERRUPTION INSURANCE POLICY.—

(A) AUTHORITY.—The Corporation shall offer to enter into a contract or cooperative agreement with a university or other legal entity to carry out research and development regarding a policy to insure the commercial production of poultry against business interruptions caused by integrator bankruptcy.

(B) RESEARCH AND DEVELOPMENT.—As part of the research and development conducted pursuant to a contract or cooperative agreement entered into under subparagraph (A), the entity shall—

(i) evaluate the market place for business interruption insurance that is available to poultry growers;

(ii) determine what statutory authority would be necessary to implement a business interruption insurance through the Corporation;

(iii) assess the feasibility of a policy or plan of insurance offered under this subtitle to insure against losses due to the bankruptcy of an business integrator; and

(iv) analyze the costs to the Federal Government of a Federal business interruption insurance program for poultry growers.

(C) DEFINITIONS.—In this paragraph, the terms "poultry" and "poultry grower" have the meanings given those terms in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(a)).

(D) DEADLINE FOR CONTRACT OR COOPERATIVE AGREEMENT.—Not later than six months after the date of the enactment of this paragraph, the Corporation shall enter into the contract or cooperative agreement required by subparagraph (A).

(E) DEADLINE FOR COMPLETION OF RESEARCH AND DEVELOPMENT.—Not later than one year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the research and development conducted pursuant to the contract or cooperative agreement entered into under subparagraph (A).

[(17)**]** *(24)* RELATION TO LIMITATIONS.—A policy developed under this subsection may be prepared without regard to the limitations of this subtitle, including—

(A) * * *

* * * * * * *

SEC. 523. PILOT PROGRAMS.

(a) GENERAL PROVISIONS.—

(1) AUTHORITY.—Except as otherwise provided in this section, the Corporation may*, at the sole discretion of the Corporation,* conduct a pilot program submitted to and approved by the Board under section 508(h), or that is developed under subsection (b) or section 522, to evaluate whether a proposal or new risk management tool tested by the pilot program is suitable for the marketplace and addresses the needs of producers of agricultural commodities.

* * * * * * *

[(5) EVALUATION.—

[(A) REQUIREMENT.—After the completion of any pilot program under this section, the Corporation shall evaluate the pilot program and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the operations of the pilot program.

[(B) EVALUATION AND RECOMMENDATIONS.—The report shall include an evaluation by the Corporation of the pilot program and the recommendations of the Corporation with respect to implementing the program on a national basis.**]**

(b) LIVESTOCK PILOT PROGRAMS.—

(1) * * *

* * * * * * *

(10) LIMITATION ON EXPENDITURES.—The Corporation shall conduct all livestock programs under this subtitle so that, to the maximum extent practicable, all costs associated with conducting the livestock programs (other than research and development costs covered by section 522) are not expected to exceed the following:

(A) * * *

* * * * * * *

(C) $20,000,000 for [fiscal year 2004 and each subsequent fiscal year] *each of fiscal years 2004 through 2012.*

(D) $50,000,000 for fiscal year 2013 and each subsequent fiscal year.

* * * * * * *

SEC. 524. EDUCATION AND RISK MANAGEMENT ASSISTANCE.

(a) * * *

(b) AGRICULTURAL MANAGEMENT ASSISTANCE.—

(1) * * *

(2) USES.—A producer may use financial assistance provided under this subsection to—

(A) * * *

[(B) plant trees to form windbreaks or to improve water quality;]

[(C)] *(B)* mitigate financial risk through production or marketing diversification [or resource conservation practices], including—

[(i) soil erosion control;]

[(ii)] *(i)* integrated pest management;

[(iii)] *(ii)* organic farming; or

[(iv)] *(iii)* to develop and implement a plan to create marketing opportunities for the producer, including through value-added processing;

[(D)] *(C)* enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk;

[(E)] *(D)* enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk; or

[(F)] *(E)* conduct any other activity relating to an activity described in subparagraphs (A) through (E), as determined by the Secretary.

* * * * * * *

(4) COMMODITY CREDIT CORPORATION.—

(A) * * *

[(B) FUNDING.—

[(i) IN GENERAL.—Except as provided in clause (ii), the Commodity Credit Corporation shall make available to carry out this subsection not less than $10,000,000 for each fiscal year.

[(ii) EXCEPTION FOR CERTAIN FISCAL YEARS.—For each of fiscal years 2008 through 2014, the Commodity

Credit Corporation shall make available to carry out this subsection $15,000,000.]

(B) FUNDING.—The Commodity Credit Corporation shall make available to carry out this subsection not less than $10,000,000 for each fiscal year.

(C) CERTAIN USES.—Of the amounts made available to carry out this subsection for a fiscal year, the Commodity Credit Corporation shall use not less than—

(i) [50] *30* percent to carry out subparagraphs [(A), (B), and (C)] *(A) and (B)* of paragraph (2) through the Natural Resources Conservation Service;

* * * * * * *

(iii) [40] *60* percent to conduct activities to carry out subparagraph (F) of paragraph (2) through the Risk Management Agency.

Subtitle B—Supplemental Agricultural Disaster Assistance

SEC. 531. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.

(a) * * *

* * * * * * *

(d) LIVESTOCK FORAGE DISASTER PROGRAM.—

(1) * * *

* * * * * * *

(3) ASSISTANCE FOR LOSSES DUE TO DROUGHT CONDITIONS.—

[(A) ELIGIBLE LOSSES.—

[(i) IN GENERAL.—An eligible]

(A) ELIGIBLE LOSSES.—An eligible livestock producer may receive assistance under this subsection only for grazing losses for covered livestock that occur on land that—

[(I)] *(i)* is native or improved pastureland with permanent vegetative cover; or

[(II)] *(ii)* is planted to a crop planted specifically for the purpose of providing grazing for covered livestock.

[(ii) EXCLUSIONS.—An eligible livestock producer may not receive assistance under this subsection for grazing losses that occur on land used for haying or grazing under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).]

* * * * * * *

FOOD FOR PEACE ACT

* * * * * * *

TITLE II—EMERGENCY AND PRIVATE ASSISTANCE PROGRAMS

SEC. 201. GENERAL AUTHORITY.

The President shall establish a program under this title *(to be implemented by the Administrator)* to provide agricultural commodities to foreign countries on behalf of the people of the United States to—

(1) * * *

* * * * * * *

[(7) promote economic and nutritional security by increasing educational, training, and other productive activities.

Such program shall be implemented by the Administrator.**]**

(7) build resilience to mitigate and prevent food crises and reduce the future need for emergency aid.

SEC. 202. PROVISION OF AGRICULTURAL COMMODITIES.

(a) * * *

* * * * * * *

(e) SUPPORT FOR ELIGIBLE ORGANIZATIONS.—

(1) IN GENERAL.—Of the funds made available in each fiscal year under this title to the Administrator, not less than 7.5 percent nor more than **[**13 percent**]** *11 percent* of the funds shall be made available in each fiscal year to eligible organizations described in subsection (d), to assist the organizations in—

(A) * * *

* * * * * * *

(h) FOOD AID QUALITY.—

(1) IN GENERAL.—**[**The Administrator**]** *In consultation with the Secretary, the Administrator* shall use funds made available for fiscal year 2009 and subsequent fiscal years to carry out this title *to establish a mechanism*—

(A) * * *

(B) to adjust products and formulations (including the potential introduction of new fortificants and products) as necessary to cost-effectively meet nutrient needs of target populations; **[**and**]**

[(C) to test prototypes.**]**

(C) to evaluate, as necessary, the use of current and new agricultural commodities and products thereof in different program settings and for particular recipient groups, including the testing of prototypes;

(D) to establish and implement appropriate protocols for quality assurance of food products procured by the Secretary for food aid programs; and

(E) to periodically update program guidelines on the recommended use of agricultural commodities and food products in food aid programs to reflect findings from the implementation of this subsection and other relevant information.

(2) ADMINISTRATION.—**[**The Administrator**]** *In consultation with the Secretary, the Administrator*—

(A) * * *

* * * * * * *

(3) FUNDING LIMITATION.—Of the funds made available under section 207(f), for [fiscal years 2009 through 2011, not more than $4,500,000] *fiscal years 2013 through 2017, not more than $1,000,000* may be used to carry out this subsection.

* * * * * * *

SEC. 204. LEVELS OF ASSISTANCE.

(a) MINIMUM LEVELS.—

(1) MINIMUM ASSISTANCE.—Except as provided in paragraph (3), the Administrator shall make agricultural commodities available for food distribution under this title in an amount that for each of fiscal years 2008 through [2012] *2017* is not less than 2,500,000 metric tons.

(2) MINIMUM NON-EMERGENCY ASSISTANCE.—Of the amounts specified in paragraph (1), and except as provided in paragraph (3), the Administrator shall make agricultural commodities available for non-emergency food distribution through eligible organizations under section 202 in an amount that for each of fiscal years 2008 through [2012] *2017* is not less than 1,875,000 metric tons.

* * * * * * *

SEC. 205. FOOD AID CONSULTATIVE GROUP.

(a) * * *

(b) MEMBERSHIP.—The Group shall be composed of—

(1) * * *

* * * * * * *

(6) representatives from agricultural producer groups in the United States; [and]

(7) representatives from the United States agricultural processing sector involved in providing agricultural commodities for programs under this Act; and

[(7)] *(8)* representatives from the maritime transportation sector involved in transporting agricultural commodities overseas for programs under this Act.

* * * * * * *

(d) CONSULTATIONS.—[In preparing regulations, handbooks, or guidelines implementing this title, or significant revisions thereto, the Administrator shall provide such proposals to the Group for review and comment.]

(1) CONSULTATION IN ADVANCE OF ISSUANCE OF IMPLEMENTATION REGULATIONS, HANDBOOKS, AND GUIDELINES.—Not later than 45 days before a proposed regulation, handbook, or guideline implementing this title, or a proposed significant revision to a regulation, handbook, or guideline implementing this title, becomes final, the Administrator shall provide the proposal to the Group for review and comment. The Administrator shall consult and, when appropriate (but at least twice per year), meet with the Group regarding such proposed regulations, handbooks, guidelines, or revisions thereto prior to the issuance of such.

(2) CONSULTATION REGARDING FOOD AID QUALITY EFFORTS.—The Administrator shall seek input from and consult with the Group on the implementation of section 202(h).

* * * * * * *

(f) TERMINATION.—The Group shall terminate on December 31, [2012] *2017*.

* * * * * * *

SEC. 207. ADMINISTRATION.

(a) * * *

* * * * * * *

(c) REGULATIONS *AND GUIDANCE*.—

(1) IN GENERAL.—The Administrator shall promptly issue all necessary regulations and make revisions to agency guidelines with respect to changes in the operation or implementation of the program established under this title. *Not later than 270 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012, the Administrator shall issue all regulations and revisions to agency guidance necessary to implement the amendments made to this title by such Act.*

(2) REQUIREMENTS.—The Administrator shall develop regulations *and guidance* with the intent of—

(A) * * *

* * * * * * *

(f) PROGRAM OVERSIGHT, MONITORING, AND EVALUATION.—

(1) * * *

(2) REQUIREMENTS OF SYSTEMS AND ACTIVITIES.—The systems and activities described in paragraph (1) shall include—

(A) * * *

* * * * * * *

(D) the evaluation of monetization programs; *and*

(E) early warning assessments and systems to help prevent famines[; and].

[(F) upgraded information technology systems.]

[(3) IMPLEMENTATION REPORT.—Not later than 180 days after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Administrator shall submit to the appropriate committees of Congress a report on efforts undertaken by the Administrator to conduct oversight of nonemergency programs under this title.

[(4) GOVERNMENT ACCOUNTABILITY OFFICE REPORT.—Not later than 270 days after the date of submission of the report under paragraph (3), the Comptroller General of the United States shall submit to the appropriate committees of Congress a report that contains—

[(A) a review of, and comments addressing, the report described in paragraph (3); and

[(B) recommendations relating to any additional actions that the Comptroller General of the United States determines to be necessary to improve the monitoring and evaluation of assistance provided under this title.]

[(5)] *(3)* CONTRACT AUTHORITY.—

(A) * * *

* * * * * * *

[(6)] *(4)* FUNDING.—

(A) IN GENERAL.—Subject to section 202(h)(3), in addition to other funds made available to the Administrator to carry out the monitoring of emergency food assistance, the Administrator may implement this subsection using up to $22,000,000 of the funds made available under this title for each of fiscal years 2009 through 2012[, except for paragraph (2)(F), for which only $2,500,000 shall be made available during fiscal year 2009] *and up to $10,000,000 of such funds for each of fiscal years 2013 through 2017*.

(B) LIMITATIONS.—

(i) IN GENERAL.—Subject to clause (ii), of the funds made available under subparagraph (A), for each of fiscal years 2009 through [2012] *2017*, not more than $8,000,000 may be used by the Administrator to carry out paragraph (2)(E).

* * * * * * *

SEC. 208. ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.

(a) * * *

* * * * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section, in addition to amounts otherwise available to carry out this section, $8,000,000 for each of fiscal years 2001 through [2012] *2017*, to remain available until expended.

* * * * * * *

TITLE IV—GENERAL AUTHORITIES AND REQUIREMENTS

* * * * * * *

SEC. 403. GENERAL PROVISIONS.

(a) * * *

(b) IMPACT ON LOCAL FARMERS AND ECONOMY.—The Secretary or the Administrator, as appropriate, shall ensure that the importation of United States agricultural commodities and the use of local currencies for development purposes will not have a disruptive impact on the farmers or the local economy of the recipient country. *The Secretary or the Administrator, as appropriate, shall seek information, as part of the regular proposal and submission process, from implementing agencies on the potential benefits to the local economy of sales of agricultural commodities within the recipient country.*

* * * * * * *

(e) WORLD PRICES.—

(1) * * *

(2) SALE PRICE.—Sales of agricultural commodities described in paragraph (1) shall be made at a [reasonable market price] *fair market value* in the economy where the agricultural commodity is to be sold, as determined by the Secretary or the Administrator, as appropriate.

(3) COORDINATION ON ASSESSMENTS.—The Secretary and the Administrator shall coordinate in assessments to carry out paragraph (1) and in the development of approaches to be used by implementing agencies for determining the fair market value described in paragraph (2).

* * * * * * *

(m) REPORT ON USE OF FUNDS.—Not later than 180 days after the date of the enactment of the Federal Agriculture Reform and Risk Management Act of 2012, and annually thereafter, the Administrator shall submit to Congress a report—

(1) specifying the amount of funds (including funds for administrative costs, indirect cost recovery, and internal transportation, storage and handling, and associated distribution costs) provided to each eligible organization that received assistance under this Act in the previous fiscal year; and

(2) describing how those funds were used by the eligible organization.

* * * * * * *

SEC. 407. ADMINISTRATIVE PROVISIONS.

(a) * * *

* * * * * * *

(c) TITLE II AND III PROGRAM.—

(1) * * *

* * * * * * *

(4) PREPOSITIONING.—

(A) IN GENERAL.—Funds made available for fiscal years 2001 through [2012] *2017* to carry out titles II and III may be used by the Administrator to procure, transport, and store agricultural commodities for prepositioning within the United States and in foreign countries, except that [for each such fiscal year not more than $10,000,000 of such funds] *for each of fiscal years 2001 through 2012 not more than $10,000,000 of such funds and for each of fiscal years 2013 through 2017 not more than $15,000,000 of such funds* may be used to store agricultural commodities for prepositioning in foreign countries.

[(B) ADDITIONAL PREPOSITIONING SITES.—

[(i) FEASIBILITY ASSESSMENTS.—The Administrator may carry out assessments for the establishment of not less than 2 sites to determine the feasibility of, and costs associated with, using the sites to store and handle agricultural commodities for prepositioning in foreign countries.

[(ii) ESTABLISHMENT OF SITES.—Based on the results of each assessment carried out under clause (i), the Administrator may establish additional sites for prepositioning in foreign countries.]

(B) ADDITIONAL PREPOSITIONING SITES.—The Administrator may establish additional sites for prepositioning in foreign countries or change the location of current sites for prepositioning in foreign countries after conducting, and based on the results of, assessments of need, feasibility, and cost.

* * * * * * *

(f) ANNUAL REPORTS.—

(1) ANNUAL REPORT REGARDING [AGRICULTURAL TRADE] *FOOD AID* PROGRAMS AND ACTIVITIES.—

(A) * * *

(B) CONTENTS.—An annual report described in subparagraph (A) shall include, with respect to the prior fiscal year—

(i) * * *

(ii) a general description of each project and activity implemented under this Act (including each activity funded through the use of local currencies) *and the intended beneficiaries of the project or activity*;

(iii) a statement describing the quantity of agricultural commodities made available to each country pursuant to—

(I) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)); [and]

(II) the Food for Progress Act of 1985 (7 U.S.C. 1736o); *and*

(III) the McGovern-Dole International Food for Education and Child Nutrition Program established by section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o-1);

* * * * * * *

SEC. 408. EXPIRATION DATE.

No agreements to finance sales or to provide other assistance under this Act shall be entered into after December 31, [2012] *2017*.

* * * * * * *

SEC. 412. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) [for fiscal year 2008 and each fiscal year thereafter, $2,500,000,000] *$2,500,000,000 for each of fiscal years 2008 through 2012 and $2,000,000,000 for each of fiscal years 2013 through 2017* to carry out the emergency and nonemergency food assistance programs under title II; and

* * * * * * *

(e) MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.—

[(1) FUNDS AND COMMODITIES.—Of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, not less than $375,000,000 for fiscal year 2009, $400,000,000 for fiscal year 2010, $425,000,000 for fiscal year 2011, and $450,000,000 for fiscal year 2012 shall be

expended for nonemergency food assistance programs under title II.]

(1) FUNDS AND COMMODITIES.—For each of fiscal years 2013 through 2017, of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, not less than $400,000,000 shall be expended for nonemergency food assistance programs under such title.

* * * * * * *

SEC. 415. MICRONUTRIENT FORTIFICATION PROGRAMS.

(a) IN GENERAL.—

(1) * * *

(2) PURPOSE.—The purpose of a program shall be to—

(A) * * *

(B) assess and apply technologies and systems to improve and ensure the quality, shelf life, bioavailability, and safety of fortified food aid agricultural commodities, and products of those agricultural commodities[, using recommendations included in the report entitled "Micronutrient Compliance Review of Fortified Public Law 480 Commodities", published in October 2001, with implementation by independent entities with proven experience and expertise in food aid commodity quality enhancements].

* * * * * * *

(c) TERMINATION OF AUTHORITY.—The authority to carry out programs established under this section shall terminate on September 30, [2012] *2017*.

* * * * * * *

TITLE V—FARMER-TO-FARMER PROGRAM

SEC. 501. JOHN OGONOWSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.

(a) * * *

* * * * * * *

(d) MINIMUM FUNDING.—Notwithstanding any other provision of law, in addition to any funds that may be specifically appropriated to carry out this section, not less than the greater of $10,000,000 or 0.5 percent of the amounts made available for each of fiscal years 2008 through 2012*, and not less than the greater of $15,000,000 or 0.5 percent of the amounts made available for each of fiscal years 2013 through 2017,* to carry out this Act shall be used to carry out programs under this section, with—

(1) * * *

* * * * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for each of fiscal years 2008 through [2012] *2017* to carry out the programs under this section—

(A) * * *

* * * * * * *

AGRICULTURAL TRADE ACT OF 1978

* * * * * * *

TITLE II—AGRICULTURAL EXPORT PROGRAMS

* * * * * * *

Subtitle B—Implementation

SEC. 211. FUNDING LEVELS.

(a) * * *

(b) EXPORT CREDIT GUARANTEE PROGRAMS.—The Commodity Credit Corporation shall make available for each of fiscal years 1996 through [2012] *2017* credit guarantees under section 202(a) in an amount equal to but not more than the lesser of—

(1) * * *

* * * * * * *

(c) MARKET ACCESS PROGRAMS.—

(1) IN GENERAL.—The Commodity Credit Corporation or the Secretary shall make available for market access activities authorized to be carried out by the Commodity Credit Corporation under section 203—

(A) in addition to any funds that may be specifically appropriated to implement a market access program, not more than $90,000,000 for fiscal year 2001, $100,000,000 for fiscal year 2002, $110,000,000 for fiscal year 2003, $125,000,000 for fiscal year 2004, $140,000,000 for fiscal year 2005, and $200,000,000 for each of fiscal years 2008 through [2012] *2017*, of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation; and

* * * * * * *

TITLE VII—FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM

* * * * * * *

SEC. 703. FUNDING.

(a) IN GENERAL.—To carry out this title, the Secretary shall use funds of the Commodity Credit Corporation, or commodities of the Commodity Credit Corporation of a comparable value, in the

amount of $34,500,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

FOOD FOR PROGRESS ACT OF 1985

SEC. 1110. (a) * * *

* * * * * * *

(f) PROVISION OF ELIGIBLE COMMODITIES TO DEVELOPING COUNTRIES.—(1) * * *

* * * * * * *

(3) No funds of the Corporation in excess of $40,000,000 (exclusive of the cost of eligible commodities) may be used for each of fiscal years 1996 through [2012] *2017* to carry out this section with respect to eligible commodities made available under section 416(b) of the Agricultural Act of 1949 unless authorized in advance in appropriation Acts.

* * * * * * *

[(6) PROJECT IN MALAWI.—

[(A) IN GENERAL.—In carrying out this section during fiscal year 2009, the President shall approve not less than 1 multiyear project for Malawi—

[(i) to promote sustainable agriculture; and

[(ii) to increase the number of women in leadership positions.

[(B) USE OF ELIGIBLE COMMODITIES.—Of the eligible commodities used to carry out this section during the period in which the project described in subparagraph (A) is carried out, the President shall carry out the project using eligible commodities with a total value of not less than $3,000,000 during the course of the project.]

(g) MINIMUM TONNAGE.—Subject to subsection (f)(3), not less than 400,000 metric tons of eligible commodities may be provided under this section for the program for each of fiscal years 2002 through [2012] *2017*.

* * * * * * *

(k) EFFECTIVE AND TERMINATION DATES.—This section shall be effective during the period beginning October 1, 1985, and ending December 31, [2012] *2017*.

(l) ADMINISTRATIVE EXPENSES.—(1) To enhance the development of private sector agriculture in countries receiving assistance under this section the President may, in each of the fiscal years 1996 through [2012] *2017*, use in addition to any amounts or eligible commodities otherwise made available under this section for such activities, not to exceed $$15,000,000 (or, in the case of fiscal year 1999, $12,000,000) of Corporation funds (or eligible commodities of an equal value owned by the Corporation), to provide assistance in the administration, sale, and monitoring of food assistance programs, and to provide technical assistance for monetization pro-

grams, to strengthen private sector agriculture in recipient countries.

* * * * * * *

BILL EMERSON HUMANITARIAN TRUST ACT

TITLE III—BILL EMERSON HUMANITARIAN TRUST

* * * * * * *

SEC. 302. ESTABLISHMENT OF COMMODITY TRUST.

(a) * * *

(b) COMMODITIES OR FUNDS IN TRUST.—

(1) * * *

(2) REPLENISHMENT OF TRUST.—

(A) * * *

(B) FUNDS.—Any funds used to acquire eligible commodities through purchases from producers or in the market to replenish the trust shall be derived—

(i) with respect to fiscal years 2000 through [2012] *2017* from funds made available to carry out the Food for Peace Act (7 U.S.C. 1691 et seq.) that are used to repay or reimburse the Commodity Credit Corporation for the release of eligible commodities under subsections (c)(1) and (f)(2), except that, of such funds, not more than $20,000,000 may be expended for this purpose in each of the fiscal years 2000 through [2012] *2017*;

* * * * * * *

(h) TERMINATION OF AUTHORITY.—

(1) IN GENERAL.—The authority to replenish stocks of eligible commodities to maintain the trust established under this section shall terminate on September 30, [2012] *2017*.

(2) DISPOSAL OF ELIGIBLE COMMODITIES.—Eligible commodities remaining in the trust after September 30, [2012] *2017*, shall be disposed of by release for use in providing for emergency humanitarian food needs in developing countries as provided in this section.

FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990

* * * * * * *

TITLE XV—AGRICULTURAL TRADE

* * * * * * *

Subtitle D—General Provisions

* * * * * * *

SEC. 1542. PROMOTION OF AGRICULTURAL EXPORTS TO EMERGING MARKETS.

(a) FUNDING.—The Commodity Credit Corporation shall make available for fiscal years 1996 through [2012] *2017* not less than $1,000,000,000 of direct credits or export credit guarantees for exports to emerging markets under section 201 or 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5621 and 5622), in addition to the amounts acquired or authorized under section 211 of the Act (7 U.S.C. 5641) for the program.

* * * * * * *

(d) E (KIKA) DE LA GARZA AGRICULTURAL FELLOWSHIP PROGRAM.—The Secretary of Agriculture (hereafter in this section referred to as the "Secretary") shall establish a program, to be known as the "E (Kika) de la Garza Agricultural Fellowship Program", to develop agricultural markets in emerging markets and to promote cooperation and exchange of information between agricultural institutions and agribusinesses in the United States and emerging markets, as follows:

(1) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—

(A) IN GENERAL.—

(i) ESTABLISHMENT OF PROGRAM.—For each of the fiscal years 1991 through [2012] *2017*, the Secretary of Agriculture (hereafter in this section referred to as the "Secretary"), in order to develop, maintain, or expand markets for United States agricultural exports, is directed to make available to emerging markets the expertise of the United States to make assessments of the food and rural business systems needs of such democracies, make recommendations on measures necessary to enhance the effectiveness of the systems, including potential reductions in trade barriers, and identify and carry out specific opportunities and projects to enhance the effectiveness of those systems.

* * * * * * *

TITLE XVI—RESEARCH

* * * * * * *

Subtitle B—Sustainable Agriculture Research and Education

* * * * * * *

CHAPTER 1—BEST UTILIZATION OF BIOLOGICAL APPLICATIONS

* * * * * * *

SEC. 1624. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated [$40,000,000 for each fiscal year] to carry out this chapter *$40,000,000 for each of fiscal years 2012 through 2017*. Of amounts appropriated to carry out this chapter for a fiscal year, not less than $15,000,000, or not less than two thirds of any such appropriation, whichever is greater, shall be used to carry out sections 1621 and 1622.

CHAPTER 2—INTEGRATED MANAGEMENT SYSTEMS

SEC. 1627. INTEGRATED MANAGEMENT SYSTEMS.

(a) * * *

* * * * * * *

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year $20,000,000 to carry out this section through the National Institute of Food and Agriculture.]

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section through the National Institute of Food and Agriculture $20,000,000 for each of fiscal years 2012 through 2017.

CHAPTER 3—SUSTAINABLE AGRICULTURE TECHNOLOGY DEVELOPMENT AND TRANSFER PROGRAM

SEC. 1628. TECHNICAL GUIDES AND HANDBOOKS.

(a) * * *

* * * * * * *

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.]

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for fiscal year 2012; and

(2) $5,000,000 for each of fiscal years 2013 through 2017.

SEC. 1629. NATIONAL TRAINING PROGRAM.

(a) * * *

* * * * * * *

[(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $20,000,000 for each fiscal year to carry out the National Training Program.]

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the National Training Program $20,000,000 for each of fiscal years 2012 through 2017.

Subtitle C—National Genetic Resources Program

* * * * * * *

SEC. 1635. DEFINITIONS AND AUTHORIZATION OF APPROPRIATIONS.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [such funds as may be necessary] to carry out this [subtitle for each of the fiscal years 1991 through 2012.] *subtitle—*

(1) such sums as are necessary for each of fiscal years 1991 through 2012; and

(2) $1,000,000 for each of fiscal years 2013 through 2017.

[Subtitle D—National Agricultural Weather Information System

[SEC. 1637. SHORT TITLE AND PURPOSES.

[(a) SHORT TITLE.—This subtitle may be cited as the "National Agricultural Weather Information System Act of 1990".

[(b) PURPOSES.—The purposes of this subtitle are—

[(1) to provide a nationally coordinated agricultural weather information system, based on the participation of universities, State programs, Federal agencies, and the private weather consulting sector, and aimed at meeting the weather and climate information needs of agricultural producers;

[(2) to facilitate the collection, organization, and dissemination of advisory weather and climate information relevant to agricultural producers, through the participation of the private sector and otherwise;

[(3) to provide for research and education on agricultural weather and climate information, aimed at improving the quality and quantity of weather and climate information available to agricultural producers, including research on short-term forecasts of thunderstorms and on extended weather forecasting techniques and models;

[(4) to encourage, where feasible, greater private sector participation in providing agricultural weather and climate information, to encourage private sector participation in educating and training farmers and others in the proper utilization of agricultural weather and climate information, and to strengthen their ability to provide site-specific weather forecasting for farmers and the agricultural sector in general; and

[(5) to ensure that the weather and climate data bases needed by the agricultural sector are of the highest scientific accuracy and thoroughly documented, and that such data bases are easily accessible for remote computer access.

[SEC. 1638. AGRICULTURAL WEATHER OFFICE.

[(a) ESTABLISHMENT OF THE OFFICE AND ADMINISTRATION OF THE SYSTEM.—

[(1) ESTABLISHMENT REQUIRED.—The Secretary of Agriculture shall establish in the Department of Agriculture an Agricultural Weather Office to plan and administer the National Agricultural Weather Information System. The system shall be comprised of the office established under this section and the activities of the State agricultural weather information systems described in section 1640.

[(2) DIRECTOR.—The Secretary shall appoint a Director to manage the activities of the Agricultural Weather Office and to advise the Secretary on scientific and programmatic coordination for climate, weather, and remote sensing.

[(b) AUTHORITY.—The Secretary, acting through the Office, may undertake the following activities to carry out this subtitle:

[(1) Enter into cooperative projects with the National Weather Service to—

[(A) support operational weather forecasting and observation useful in agriculture;

[(B) sponsor joint workshops to train agriculturalists about the optimum utilization of agricultural weather and climate data;

[(C) jointly develop improved computer models and computing capacity; and

[(D) enhance the quality and availability of weather and climate information needed by agriculturalists.

[(2) Obtain standardized weather observation data collected in near real time through State agricultural weather information systems.

[(3) Make, through the National Institute of Food and Agriculture, competitive grants under subsection (c) for research in atmospheric sciences and climatology.

[(4) Make grants to eligible States under section 1640 to plan and administer State agricultural weather information systems.

[(5) Coordinate the activities of the Office with the weather and climate research activities of the National Institute of Food and Agriculture, the National Academy of Sciences, the National Science Foundation Atmospheric Services Program, and the National Climate Program.

[(6) Encourage private sector participation in the National Agricultural Weather Information System through mutually beneficial cooperation with the private sector, particularly in generating weather and climatic data useful for site-specific agricultural weather forecasting.

[(c) COMPETITIVE GRANTS PROGRAM.—

[(1) GRANTS AUTHORIZED.—With funds allocated to carry out this subsection, the Secretary of Agriculture may make grants to State agricultural experiment stations, all colleges and universities, other research institutions and organizations, Federal agencies, private organizations and corporations, and individuals to carry out research in all aspects of atmospheric sciences and climatology that can be shown to be important in both a basic and developmental way to understanding, forecasting, and delivering agricultural weather information.

[(2) COMPETITIVE BASIS.—Grants made under this subsection shall be made on a competitive basis.

[(d) PRIORITY.—In selecting among applications for grants under subsection (c), the Secretary shall give priority to proposals which emphasize—

[(1) techniques and processes that relate to weather-induced agricultural losses, and to improving the advisory information on weather extremes such as drought, floods, freezes, and storms well in advance of their actual occurrence;

[(2) the improvement of site-specific weather data collection and forecasting; or

[(3) the impact of weather on economic and environmental costs in agricultural production.

[SEC. 1640. STATE AGRICULTURAL WEATHER INFORMATION SYSTEMS.

[(a) ADVISORY PROGRAM GRANTS.—

[(1) GRANTS REQUIRED.—With funds allocated to carry out this section, the Secretary of Agriculture shall make grants to not fewer than 10 eligible States to plan and administer, in cooperation with persons described in paragraph (2), advisory programs for State agricultural weather information systems.

[(2) PERSONS DESCRIBED.—The persons referred to in paragraph (1) are the Director of the Agricultural Weather Office, the Director of the National Institute of Food and Agriculture, and other persons as appropriate (such as the directors of the appropriate State agricultural experiment stations and State extension programs).

[(b) CONSULTATION.—For purposes of selecting among applications submitted by States for grants under this section, the Secretary shall consult with the Director.

[(c) ELIGIBILITY REQUIREMENTS.—To be eligible to receive a grant under this section, the chief executive officer of a State shall submit to the Secretary an application that contains—

[(1) assurances that the State will expend such grant to plan and administer a State agricultural weather system that will—

[(A) collect observational weather data throughout the State and provide such data to the National Weather Service and the Agricultural Weather Office;

[(B) develop methods for packaging information received from the national system for use by agricultural producers (with State Cooperative Extension Services and the private sector to serve as the primary conduit of agricultural weather forecasts and climatic information to producers); and

[(C) develop programs to educate agricultural producers on how to best use weather and climate information to improve management decisions; and

[(2) such other assurances and information as the Secretary may require by rule.

[SEC. 1641. FUNDING.

[(a) ALLOCATION OF FUNDS.—

[(1) COOPERATIVE WORK.—Not less than 15 percent and not more than 25 percent of the funds appropriated for a fiscal year to carry out this subtitle shall be used for cooperative work with the National Weather Service entered into under section 1638(b)(1).

[(2) COMPETITIVE GRANTS PROGRAM.—Not less than 15 percent and not more than 25 percent of such funds shall be used by the National Institute of Food and Agriculture for a competitive grants program under section 1638(c).

[(3) WEATHER INFORMATION SYSTEMS.—Not less than 25 percent and not more than 35 percent of such funds shall be divided equally between the participating States selected for that fiscal year under section 1640.

[(4) OTHER PURPOSES.—The remaining funds shall be allocated for use by the Agricultural Weather Office and the National Institute of Food and Agriculture in carrying out generally the provisions of this subtitle.

[(b) LIMITATIONS ON USE OF FUNDS.—Funds provided under the authority of this subtitle shall not be used for the construction of facilities. Each State or agency receiving funds shall not use more

than 30 percent of such funds for equipment purchases. Any use of the funds in facilitating the distribution of agricultural and climate information to producers shall be done with consideration for the role that the private meteorological sector can play in such information delivery.

[(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 to carry out this subtitle for each of the fiscal years 2008 through 2012.]

* * * * * * *

Subtitle H—Miscellaneous Research Provisions

* * * * * * *

[SEC. 1670. RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.

[(a) DEFINITIONS.—In this section:

[(1) DEVELOPMENT CENTER.—The term "development center" means—

[(A) the North Central Regional Center for Rural Development;

[(B) the Northeast Regional Center for Rural Development or its designee;

[(C) the Southern Rural Development Center; and

[(D) the Western Rural Development Center or its designee.

[(2) EXTENSION PROGRAM.—The term "extension program" means the rural electronic commerce extension program established under subsection (b).

[(3) MICROENTERPRISE.—The term "microenterprise" means a commercial enterprise that has 5 or fewer employees, 1 or more of whom own the enterprise.

[(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture, acting through the Director of the National Institute of Food and Agriculture.

[(5) SMALL BUSINESS.—The term "small business" has the meaning given the term "small-business concern" by section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

[(b) ESTABLISHMENT.—The Secretary shall establish a rural electronic commerce extension program to expand and enhance electronic commerce practices and technology to be used by small businesses and microenterprises in rural areas.

[(c) GRANTS.—

[(1) IN GENERAL.—The Secretary shall carry out the program established under subsection (b) by making—

[(A) grants to each of the development centers; and

[(B) competitive grants to land-grant colleges and universities (or consortia of land-grant colleges and universities) and to colleges and universities (including community colleges) with agricultural or rural development programs—

[(i) to develop and facilitate innovative rural electronic commerce business strategies; and

[(ii) to assist small businesses and microenterprises in identifying, adapting, implementing, and using electronic commerce business practices and technologies.

[(2) ELIGIBILITY.—The selection criteria established for grants awarded under paragraph (1)(B) shall include—

[(A) the ability of an applicant to provide training and education on best practices, technology transfer, adoption, and use of electronic commerce in rural communities by small businesses and microenterprises;

[(B) the extent and geographic diversity of the area served by the proposed project or activity under the extension program;

[(C) in the case of a land-grant college or university, the extent of participation of the land-grant college or university in the extension program (including any economic benefits that would result from that participation);

[(D) the percentage of funding and in-kind commitments from non-Federal sources that would be needed by and available for a proposed project or activity under the extension program; and

[(E) the extent of participation of low-income and minority businesses or microenterprises in a proposed project or activity under the extension program.

[(3) NON-FEDERAL SHARE.—

[(A) IN GENERAL.—As a condition of the receipt of funds under this section, a development center or grant applicant shall agree to obtain from non-Federal sources (including State, local, nonprofit, or private sector sources) contributions of an amount equal to 50 percent of the grant amount.

[(B) FORM.—The non-Federal share required under subparagraph (A) may be provided in the form of in-kind contributions.

[(C) EXCEPTION.—The non-Federal share required under subparagraph (A) may be reduced to 25 percent if the grant recipient serves low-income or minority-owned businesses or microenterprises, as determined by the Secretary.

[(d) REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

[(1) the policies, practices, and procedures used to assist rural communities in efforts to adopt and use electronic commerce techniques; and

[(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2002 through 2007, of which not less than ⅓ of the amount made available for each fiscal year shall be used to carry out activities under subsection (c)(1)(A).

[SEC. 1671. AGRICULTURAL GENOME INITIATIVE.

[(a) GOALS.—The goals of this section are—

[(1) to expand the knowledge of public and private sector entities and persons concerning genomes for species of impor-

tance to the food and agriculture sectors in order to maximize the return on the investment in genomics of agriculturally important species;

[(2) to focus on the species that will yield scientifically important results that will enhance the usefulness of many agriculturally important species;

[(3) to build on genomic research, such as the Human Genome Initiative and the Arabidopsis Genome Project, to understand gene structure and function that is expected to have considerable payoffs in agriculturally important species;

[(4) to develop improved bioinformatics to enhance both sequence or structure determination and analysis of the biological function of genes and gene products;

[(5) to encourage Federal Government participants to maximize the utility of public and private partnerships for agricultural genome research;

[(6) to allow resources developed under this section, including data, software, germplasm, and other biological materials, to be openly accessible to all persons, subject to any confidentiality requirements imposed by law; and

[(7) to encourage international partnerships with each partner country responsible for financing its own strategy for agricultural genome research.

[(b) DUTIES OF SECRETARY.—The Secretary of Agriculture (referred to in this section as the "Secretary") shall conduct a research initiative (to be known as the "Agricultural Genome Initiative") for the purpose of—

[(1) studying and mapping agriculturally significant genes to achieve sustainable and secure agricultural production;

[(2) ensuring that current gaps in existing agricultural genetics knowledge are filled;

[(3) identifying and developing a functional understanding of genes responsible for economically important traits in agriculturally important species, including emerging plant and animal pathogens and diseases causing economic hardship;

[(4) ensuring future genetic improvement of agriculturally important species;

[(5) supporting preservation of diverse germplasm;

[(6) ensuring preservation of biodiversity to maintain access to genes that may be of importance in the future;

[(7) reducing the economic impact of plant pathogens on commercially important crop plants; and

[(8) otherwise carrying out this section.

[(c) GRANTS AND COOPERATIVE AGREEMENTS.—

[(1) AUTHORITY.—The Secretary may make grants or enter into cooperative agreements with individuals and organizations in accordance with section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318).

[(2) COMPETITIVE BASIS.—A grant or cooperative agreement under this subsection shall be made or entered into on a competitive basis.

[(d) ADMINISTRATION.—Paragraphs (4), (7), (8), and (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research

Grant Act (7 U.S.C. 450i) shall apply with respect to the making of a grant or cooperative agreement under this section.

[(e) MATCHING OF FUNDS.—

[(1) GENERAL REQUIREMENT.—If a grant or cooperative agreement under this section provides a particular benefit to a specific agricultural commodity, the Secretary shall require the recipient to provide funds or in-kind support to match the amount of funds provided by the Secretary under the grant or cooperative agreement.

[(2) WAIVER.—The Secretary may waive the matching funds requirement of paragraph (1) with respect to a research project if the Secretary determines that—

[(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or

[(B) the project involves a minor commodity, the project deals with scientifically important research, and the recipient is unable to satisfy the matching funds requirement.

[(f) CONSULTATION WITH NATIONAL ACADEMY OF SCIENCES.—The Secretary may use funds made available under this section to consult with the National Academy of Sciences regarding the administration of the Agricultural Genome Initiative.]

SEC. 1672. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.

(a) COMPETITIVE SPECIALIZED RESEARCH AND EXTENSION GRANTS AUTHORIZED.—The Secretary of Agriculture (referred to in this section as the "Secretary") may make competitive grants to support research and extension activities specified in [subsections (e) through (i)] *subsections (e) through (g)*. The Secretary shall make the grants in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board.

(b) ADMINISTRATION.—

(1) * * *

(2) USE OF TASK FORCES.—To facilitate the making of research and extension grants under this section in the research and extension areas specified in [subsections (e) through (i)] *subsections (e) through (g)*, the Secretary may appoint a task force for each such area to make recommendations to the Secretary. The Secretary may not incur costs in excess of $1,000 for any fiscal year in connection with each task force established under this paragraph.

(c) MATCHING FUNDS REQUIRED.—

(1) * * *

(2) WAIVER AUTHORITY.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a research project if the Secretary determines that—

(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; [or]

(B) the project involves a minor commodity, the project deals with scientifically important research, and the grant recipient is unable to satisfy the matching funds requirement[.]*; or*

(C) the project involves a pest that has been designated as a pest of public health significance by the Environmental Protection Agency and the Centers for Disease Con-

trol and Prevention, as described in section 2(nn) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(nn)).

* * * * * * *

[(e) HIGH-PRIORITY RESEARCH AND EXTENSION AREAS.—

[(1) ETHANOL RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of carrying out or enhancing research on ethanol derived from agricultural crops as an alternative fuel source.

[(2) AFLATOXIN RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of identifying, improving, and eventually commercializing, alfatoxin controls in corn and other affected agricultural products and crops.

[(3) PRICKLY PEAR RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of investigating enhanced genetic selection and processing techniques of prickly pears.

[(4) DEER TICK ECOLOGY RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of studying the population ecology of deer ticks and other insects and pests that transmit Lyme disease.

[(5) PEANUT MARKET ENHANCEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of evaluating the economics of applying innovative technologies for peanut processing in a commercial environment.

[(6) DAIRY FINANCIAL RISK MANAGEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of providing research, development, or education materials, information, and outreach programs regarding risk management strategies for dairy producers and for dairy cooperatives and other processors and marketers of milk.

[(7) COTTON RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of improving pest management, fiber quality enhancement, economic assessment, textile production, and optimized production systems for short staple cotton.

[(8) METHYL BROMIDE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of—

[(A) developing and evaluating chemical and nonchemical alternatives, and use and emission reduction strategies, for pre-planting and post-harvest uses of methyl bromide; and

[(B) transferring the results of the research for use by agricultural producers.

[(9) POTATO RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing and evaluating new strains of potatoes that are resistant to blight and other diseases, as well as insects. Emphasis may be placed on developing potato varieties that lend themselves to innovative marketing approaches.

[(10) WOOD USE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing new uses for wood from underused tree species as well as investigating methods of modifying wood and wood fibers to produce better building materials.

[(11) WETLANDS USE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better use of wetlands in diverse ways to provide various economic, agricultural, and environmental benefits.

[(12) FOOD SAFETY, INCLUDING PATHOGEN DETECTION AND LIMITATION, RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of increasing food safety, including the identification of advanced detection and processing methods to limit the presence of pathogens (including hepatitis A and E. coli 0157:H7) in domestic and imported foods.

[(13) FINANCIAL RISK MANAGEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of providing research, development, or education materials, information, and outreach programs regarding financial risk management strategies for agricultural producers and for cooperatives and other processors and marketers of any agricultural commodity.

[(14) ORNAMENTAL TROPICAL FISH RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of meeting the needs of commercial producers of ornamental tropical fish and aquatic plants for improvements in the areas of fish reproduction, health, nutrition, predator control, water use, water quality control, and farming technology.

[(15) GYPSY MOTH RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing biological control, management, and eradication methods against nonnative insects, including Lymantria dispar (commonly known as the "gypsy moth"), that contribute to significant agricultural, economic, or environmental harm.

[(16) TOMATO SPOTTED WILT VIRUS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of control, management, and eradication of tomato spotted wilt virus.

[(17) GENETICALLY MODIFIED AGRICULTURE PRODUCTS (GMAP) RESEARCH.—Research grants may be made under this section for the purposes of providing unbiased, science-based evaluation of the risks and benefits to the public and the environment of specific genetically modified plant and animal products. Grants may be used to form interdisciplinary teams to review and conduct research on scientific, social, economic, and ethical issues during the review process, to answer questions raised by the release of new genetically modified agriculture products, to conduct fundamental studies on the health and environmental safety of genetically modified agriculture products (including quantitative risk assessment, the effect of specific genetically modified agriculture products on human health, and gene flow studies), to communicate the risk of genetically modified agriculture products through extension and education

programs, and to engage the public and industry in relevant issues.

[(18) LAND USE MANAGEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purposes of evaluating the environmental benefits of land use management tools such as those provided in the Farmland Protection Program.

[(19) WATER AND AIR QUALITY RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better understanding agricultural impacts to air and water quality and means to address them.

[(20) REVENUE AND INSURANCE TOOLS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purposes of better understanding the impact of revenue and insurance tools on farm income.

[(21) AGROTOURISM RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better understanding the economic, environmental, and food systems impacts of agrotourism.

[(22) NITROGEN-FIXATION BY PLANTS.—Research and extension grants may be made under this section for the purpose of enhancing the nitrogen-fixing ability and efficiency of legumes, developing new varieties of legumes that fix nitrogen more efficiently, and developing new varieties of other commercially important crops that potentially are able to fix nitrogen.

[(23) ENVIRONMENT AND PRIVATE LANDS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of researching the use of computer models to aid in assessment of best management practices on a watershed basis, working with government, industry, and private landowners to help craft industry-led solutions to identified environmental issues, researching and monitoring water, air, or soil environmental quality to aid in the development of new approaches to local environmental concerns, and working with local, State, and federal officials to help craft effective environmental solutions that respect private property rights and agricultural production realities.

[(24) LIVESTOCK DISEASE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of identifying possible livestock disease threats, educating the public regarding livestock disease threats, training persons to deal with such threats, and conducting related research.

[(25) PLANT GENE EXPRESSION.—Research grants may be made under this section for the purpose of plant gene expression research to accelerate the application of basic plant genomic science to the development and testing of new varieties of enhanced food crops, crops that can be used as renewable energy sources, and other alternative uses of agricultural crops.

[(26) ANIMAL INFECTIOUS DISEASES RESEARCH.—Research and extension grants may be made under this section for the purpose of developing prevention and control methodologies for animal infectious diseases (including evaluation under field conditions in countries in which an animal disease occurs) such

as laboratory tests for quicker detection of infected animals and presence of disease, prevention strategies (including vaccination programs), and rapid diagnostic techniques for animal disease agents considered to be risks for agricultural bioterrorism attack.

[(27) PROGRAM TO COMBAT CHILDHOOD OBESITY.—Research and extension grants may be made under this section to institutions of higher education with demonstrated capacity in basic and clinical obesity research, nutrition research, and community health education research to develop and evaluate community-wide strategies that catalyze partnerships between families and health care, education, recreation, mass media, and other community resources to reduce the incidence of childhood obesity.

[(28) INTEGRATED PEST MANAGEMENT.—Research and extension grants may be made under this section to coordinate and improve research, education, and outreach on, and implementation on farms of, integrated pest management.

[(29) SUGARCANE GENETICS.—Research grants may be made under this section for the purpose of maintaining acceptable yields under reduced production inputs, implementing marker-assisted breeding strategies and other basic plant genomic technologies to screen for improved plant resistance to diseases, weeds, and insects toward minimizing pesticide use, enhancing food, fiber and energy production, and developing varieties for maximum performance under prevailing conditions, including management for improved soil and water conservation.

[(30) AIR EMISSIONS FROM LIVESTOCK OPERATIONS.—Research and extension grants may be made under this section for the purpose of conducting field verification tests and developing mitigation options for air emissions from animal feeding operations.

[(31) SWINE GENOME PROJECT.—Research grants may be made under this section to conduct swine genome research, including the mapping of the swine genome.

[(32) CATTLE FEVER TICK PROGRAM.—Research and extension grants may be made under this section to study cattle fever ticks to facilitate understanding of the role of wildlife in the persistence and spread of cattle fever ticks, to develop advanced methods for eradication of cattle fever ticks, and to improve management of diseases relating to cattle fever ticks that are associated with wildlife, livestock, and human health.

[(33) SYNTHETIC GYPSUM.—Research and extension grants may be made under this section to study the uses of synthetic gypsum from electric power plants to remediate soil and nutrient losses.

[(34) CRANBERRY RESEARCH PROGRAM.—Research and extension grants may be made under this section to study new technologies to assist cranberry growers in complying with Federal and State environmental regulations, increase production, develop new growing techniques, establish more efficient growing methodologies, and educate cranberry producers about sustainable growth practices.

[(35) SORGHUM RESEARCH INITIATIVE.—Research and extension grants may be made under this section to study the use of sorghum as a bioenergy feedstock, promote diversification in, and the environmental benefits of sorghum production, and promote water conservation through the use of sorghum.

[(36) MARINE SHRIMP FARMING PROGRAM.—Research and extension grants may be made under this section to establish a research program to advance and maintain a domestic shrimp farming industry in the United States.

[(37) TURFGRASS RESEARCH INITIATIVE.—Research and extension grants may be made under this section to study the production of turfgrass (including the use of water, fertilizer, pesticides, fossil fuels, and machinery for turf establishment and maintenance) and environmental protection and enhancement relating to turfgrass production.

[(38) AGRICULTURAL WORKER SAFETY RESEARCH INITIATIVE.—Research and extension grants may be made under this section—

[(A) to study and demonstrate methods to minimize exposure of farm and ranch owners and operators, pesticide handlers, and agricultural workers to pesticides, including research addressing the unique concerns of farm workers resulting from long-term exposure to pesticides; and

[(B) to develop rapid tests for on-farm use to better inform and educate farmers, ranchers, and farm and ranch workers regarding safe field re-entry intervals.

[(39) HIGH PLAINS AQUIFER REGION.—Research and extension grants may be made under this section to carry out interdisciplinary research relating to diminishing water levels and increased demand for water in the High Plains aquifer region.

[(40) DEER INITIATIVE.—Research and extension grants may be made under this section to support collaborative research focusing on the development of viable strategies for the prevention, diagnosis, and treatment of infectious, parasitic, and toxic diseases of farmed deer and the mapping of the deer genome.

[(41) PASTURE-BASED BEEF SYSTEMS RESEARCH INITIATIVE.—Research and extension grants may be made under this section to study the development of forage sequences and combinations for cow-calf, heifer development, stocker, and finishing systems, to deliver optimal nutritive value for efficient production of cattle for pasture finishing, to optimize forage systems to improve marketability of pasture-finished beef, and to assess the effect of forage quality on reproductive fitness.

[(42) AGRICULTURAL PRACTICES RELATING TO CLIMATE CHANGE.—Research and extension grants may be made under this section for field and laboratory studies that examine the ecosystem from gross to minute scales and for projects that explore the relationship of agricultural practices to climate change.

[(43) BRUCELLOSIS CONTROL AND ERADICATION.—Research and extension grants may be made under this section to conduct research relating to the development of vaccines and vaccine delivery systems to effectively control and eliminate brucellosis in wildlife, and to assist with the controlling of the spread of brucellosis from wildlife to domestic animals.

[(44) BIGHORN AND DOMESTIC SHEEP DISEASE MECHANISMS.—Research and extension grants may be made under this section to conduct research relating to the health status of (including the presence of infectious diseases in) bighorn and domestic sheep under range conditions.

[(45) AGRICULTURAL DEVELOPMENT IN THE AMERICAN-PACIFIC REGION.—Research and extension grants may be made under this section to support food and agricultural science at a consortium of land-grant institutions in the American-Pacific region.

[(46) TROPICAL AND SUBTROPICAL AGRICULTURAL RESEARCH.—Research grants may be made under this section, in equal dollar amounts to the Caribbean and Pacific Basins, to support tropical and subtropical agricultural research, including pest and disease research, at the land-grant institutions in the Caribbean and Pacific regions.

[(47) VIRAL HEMORRHAGIC SEPTICEMIA.—Research and extension grants may be made under this section to study—

[(A) the effects of viral hemorrhagic septicemia (referred to in this paragraph as "VHS") on freshwater fish throughout the natural and expanding range of VHS; and

[(B) methods for transmission and human-mediated transport of VHS among waterbodies.

[(48) FARM AND RANCH SAFETY.—Research and extension grants may be made under this section to carry out projects to decrease the incidence of injury and death on farms and ranches, including—

[(A) on-site farm or ranch safety reviews;

[(B) outreach and dissemination of farm safety research and interventions to agricultural employers, employees, youth, farm and ranch families, seasonal workers, or other individuals; and

[(C) agricultural safety education and training.

[(49) WOMEN AND MINORITIES IN STEM FIELDS.—Research and extension grants may be made under this section to increase participation by women and underrepresented minorities from rural areas in the fields of science, technology, engineering, and mathematics, with priority given to eligible institutions that carry out continuing programs funded by the Secretary.

[(50) ALFALFA AND FORAGE RESEARCH PROGRAM.—Research and extension grants may be made under this section for the purpose of studying improvements in alfalfa and forage yields, biomass and persistence, pest pressures, the bioenergy potential of alfalfa and other forages, and systems to reduce losses during harvest and storage.

[(51) FOOD SYSTEMS VETERINARY MEDICINE.—Research grants may be made under this section to address health issues that affect food-producing animals, food safety, and the environment, and to improve information resources, curriculum, and clinical education of students with respect to food animal veterinary medicine and food safety.

[(52) BIOCHAR RESEARCH.—Grants may be made under this section for research, extension, and integrated activities relating to the study of biochar production and use, including con-

siderations of agronomic and economic impacts, synergies of co-production with bioenergy, and the value of soil enhancements and soil carbon sequestration.

[(f) IMPORTED FIRE ANT CONTROL, MANAGEMENT, AND ERADICATION.—

[(1) TASK FORCE.—The Secretary shall establish a task force pursuant to subsection (b)(2) regarding the control, management, and eradication of imported fire ants. The Secretary shall solicit and evaluate grant proposals under this subsection in consultation with the task force.

[(2) INITIAL GRANTS.—

[(A) REQUEST FOR PROPOSALS.—The Secretary shall publish a request for proposals for grants for research or demonstration projects related to the control, management, and possible eradication of imported fire ants.

[(B) SELECTION.—Not later than 1 year after the date of publication of the request for proposals, the Secretary shall evaluate the grant proposals submitted in response to the request and may select meritorious research or demonstration projects related to the control, management, and possible eradication of imported fire ants to receive an initial grant under this subsection.

[(3) SUBSEQUENT GRANTS.—

[(A) EVALUATION OF INITIAL GRANTS.—If the Secretary awards grants under paragraph (2)(B), the Secretary shall evaluate all of the research or demonstration projects conducted under the grants for their use as the basis of a national plan for the control, management, and possible eradication of imported fire ants by the Federal Government, State and local governments, and owners and operators of land.

[(B) SELECTION.—On the basis of the evaluation under subparagraph (A), the Secretary may select the projects that the Secretary considers most promising for additional research or demonstration related to preparation of a national plan for the control, management, and possible eradication of imported fire ants. The Secretary shall notify the task force of the projects selected under this subparagraph.

[(4) SELECTION AND SUBMISSION OF NATIONAL PLAN.—

[(A) EVALUATION OF SUBSEQUENT GRANTS.—If the Secretary awards grants under paragraph (3)(B), the Secretary shall evaluate all of the research or demonstration projects conducted under the grants for use as the basis of a national plan for the control, management, and possible eradication of imported fire ants by the Federal Government, State and local governments, and owners and operators of land.

[(B) SELECTION.—On the basis of the evaluation under subparagraph (A), the Secretary shall select 1 project funded under paragraph (3)(B), or a combination of those projects, for award of a grant for final preparation of the national plan.

[(C) SUBMISSION.—The Secretary shall submit to Congress the final national plan prepared under subparagraph

(B) for the control, management, and possible eradication of imported fire ants.]

[(g)] *(e)* FORMOSAN TERMITE*, BED BUGS, AND OTHER PESTS* RESEARCH AND ERADICATION.—

(1) RESEARCH PROGRAM.—The Secretary may make competitive research grants under this subsection to regional and multijurisdictional entities, local government planning organizations, and local governments for the purpose of conducting research for the control, management, and possible eradication of Formosan termites*, bed bugs, and other pests, including pests that the Secretary determines are a risk to public health* in the United States.

(2) ERADICATION PROGRAM.—The Secretary may enter into cooperative agreements with regional and multijurisdictional entities, local government planning organizations, and local governments for the purposes of—

(A) conducting projects for the control, management, and possible eradication of Formosan termites*, bed bugs, and other pests, including pests that the Secretary determines are a risk to public health* in the United States; and

* * * * * * *

(3) FUNDING PRIORITY.—In allocating funds made available to carry out paragraph (2), the Secretary shall provide a higher priority for regions or locations with the highest historical rates of infestation of Formosan termites*, bed bugs, and other pests, including pests that the Secretary determines are a risk to public health*.

* * * * * * *

[(h)] *(f)* POLLINATOR PROTECTION.—

(1) RESEARCH AND EXTENSION.—

(A) * * *

(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $10,000,000 for each of fiscal years 2008 through [2012] *2017*.

(2) DEPARTMENT OF AGRICULTURE CAPACITY AND INFRASTRUCTURE.—

(A) * * *

(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $7,250,000 for each of fiscal years 2008 through [2012] *2017*.

(3) HONEY BEE PEST AND PATHOGEN SURVEILLANCE.—There is authorized to be appropriated to conduct a nationwide honey bee pest and pathogen surveillance program $2,750,000 for each of fiscal years 2008 through [2012] *2017*.

(4) ANNUAL REPORT ON RESPONSE TO HONEY BEE COLONY COLLAPSE DISORDER.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the progress made by the Department of Agriculture in—

(A) investigating the cause or causes of honey bee colony collapse *and honey bee health disorders*; and

(B) finding appropriate strategies*, including best management practices* to reduce colony loss.

[(i) REGIONAL CENTERS OF EXCELLENCE.—

[(1) ESPTABLISHMENT.—The Secretary shall prioritize regional centers of excellence established for specific agricultural commodities for the receipt of funding under this section.

[(2) COMPOSITION.—A regional center of excellence shall be composed of 1 or more colleges and universities (including land-grant institutions, schools of forestry, schools of veterinary medicine, or NLGCA Institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103))) that provide financial support to the regional center of excellence.

[(3) CRITERIA FOR REGIONAL CENTERS OF EXCELLENCE.—The criteria for consideration to be a regional center of excellence shall include efforts—

[(A) to ensure coordination and cost-effectiveness by reducing unnecessarily duplicative efforts regarding research, teaching, and extension;

[(B) to leverage available resources by using public/private partnerships among agricultural industry groups, institutions of higher education, and the Federal Government;

[(C) to implement teaching initiatives to increase awareness and effectively disseminate solutions to target audiences through extension activities;

[(D) to increase the economic returns to rural communities by identifying, attracting, and directing funds to high-priority agricultural issues; and

[(E) to improve teaching capacity and infrastructure at colleges and universities (including land-grant institutions, schools of forestry, and schools of veterinary medicine).]

(g) BED BUG CONTROL.—

(1) AUTHORIZATION AND USE OF GRANTS.—The Secretary, in consultation with a task force appointed under subsection (b)(2), shall award grants under this subsection for purposes of—

(A) developing more efficacious methods of detecting, preventing, and managing bed bugs; and

(B) conducting basic and applied bed bug biology research.

(2) GRANTS.—

(A) REQUESTS FOR PROPOSALS.—The Secretary shall, not later than 180 days after the date of the enactment of this subsection and in consultation with the task force, publish a request for openly competitive grant proposals for research projects for the purposes described in paragraph (1).

(B) AWARD OF GRANTS.—Not later than 180 days after the date of such publication, the Secretary shall—

(i) evaluate the grant proposals referred to in subparagraph (A) in consultation with the task force; and

(ii) award grants to entities that submitted grant proposals for research projects the Secretary determines are meritorious for the purposes described in paragraph (1).

(C) NOTIFICATION REQUIREMENT.—The Secretary shall notify the task force of any award made under subparagraph (B) not later than 30 days after awarding such grant.

(3) CONSULTATION AND COORDINATION.—To expedite the approval or registration under section 3, section 18, or section 24 of the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136a, 136p, and 136v) of the methods identified or discovered through research projects funded under this subsection, the Secretary shall consult and coordinate with the Administrator of the Environmental Protection Agency regarding—

(A) the awarding of grants under this subsection; and

(B) the evaluation of the results of such research projects.

[(j)**]** *(h)* AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through **[**2012**]** *2017*.

[SEC. 1672A. NUTRIENT MANAGEMENT RESEARCH AND EXTENSION INITIATIVE.

[(a) COMPETITIVE RESEARCH AND EXTENSION GRANTS AUTHORIZED.—The Secretary of Agriculture (referred to in this section as the "Secretary") may make competitive grants to support research and extension activities specified in subsection (e). The Secretary shall make the grants in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board.

[(b) ADMINISTRATION.—

[(1) IN GENERAL.—Paragraphs (4), (7), (8), and (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.

[(2) USE OF TASK FORCES.—To facilitate the making of research and extension grants under this section in the research and extension areas specified in subsection (e), the Secretary may appoint a task force for each such area to make recommendations to the Secretary. The Secretary may not incur costs in excess of $1,000 for any fiscal year in connection with each task force established under this paragraph.

[(c) MATCHING FUNDS REQUIRED.—

[(1) IN GENERAL.—The Secretary shall require the recipient of a grant under this section to provide funds or in-kind support from non-Federal sources in an amount at least equal to the amount provided by the Federal Government.

[(2) WAIVER AUTHORITY.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a research project if the Secretary determines that—

[(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or

[(B) the project involves a minor commodity, the project deals with scientifically important research, and the grant recipient is unable to satisfy the matching funds requirement.

[(d) PRIORITY.—Following the completion of a peer review process for grant proposals received under this section, the Secretary shall give priority to those grant proposals that involve—

[(1) the cooperation of multiple entities; and

[(2) States or regions with a high concentration of livestock, dairy, or poultry operations.

[(e) NUTRIENT MANAGEMENT RESEARCH AND EXTENSION AREAS.—

[(1) ANIMAL WASTE AND ODOR MANAGEMENT.—Research and extension grants may be made under this section for the purpose of—

[(A) identifying, evaluating, and demonstrating innovative technologies for animal waste management and related air quality management and odor control;

[(B) investigating the unique microbiology of specific animal wastes, such as swine waste and dairy and beef cattle waste, to develop improved methods to effectively manage air and water quality; and

[(C) conducting information workshops to disseminate the results of the research.

[(2) WATER QUALITY AND AQUATIC ECOSYSTEMS.—Research and extension grants may be made under this section for the purpose of investigating the impact on aquatic food webs, especially commercially important aquatic species and their habitats, of microorganisms of the genus Pfiesteria and other microorganisms that are a threat to human or animal health.

[(3) RURAL AND URBAN INTERFACE.—Research and extension grants may be made under this section for the purpose of identifying, evaluating, and demonstrating innovative technologies to be used for animal waste management (including odor control) in rural areas adjacent to urban or suburban areas in connection with waste management activities undertaken in urban or suburban areas.

[(4) ANIMAL FEED.—Research and extension grants may be made under this section for the purpose of maximizing nutrition management for livestock, while limiting risks, such as mineral bypass, associated with livestock feeding practices.

[(5) ALTERNATIVE USES AND RENEWABLE ENERGY.—Research and extension grants may be made under this section for the purpose of finding innovative methods and technologies to allow agricultural operators to make use of animal waste, such as use as fertilizer, methane digestion, composting, and other useful byproducts.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through 2012.]

SEC. 1672B. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.

(a) * * *

* * * * * * *

[(e) FUNDING.—On October 1, 2003, and each October 1 thereafter through October 1, 2007, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer $3,000,000 to the Secretary of Agriculture for this section.]

(e) FARM BUSINESS MANAGEMENT ENCOURAGED.—Following the completion of a peer review process for grant proposals received under this section, the Secretary shall provide a priority to grant

proposals found in the review process to be scientifically meritorious using the same criteria the Secretary uses to give priority to grants under section 1672D(b).

(f) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(A) $18,000,000 for fiscal year 2009; [and]

(B) $20,000,000 for each of fiscal years 2010 through 2012[.]*; and*

(C) $16,000,000 for each of fiscal years 2013 through 2017.

(2) ADDITIONAL FUNDING.—In addition to amounts made available under paragraph (1), there is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2009 through [2012] *2017*.

[SEC. 1672C. AGRICULTURAL BIOENERGY FEEDSTOCK AND ENERGY EFFICIENCY RESEARCH AND EXTENSION INITIATIVE.

[(a) ESTABLISHMENT AND PURPOSE.—There is established within the Department of Agriculture an agricultural bioenergy feedstock and energy efficiency research and extension initiative (referred to in this section as the "Initiative") for the purpose of enhancing the production of biomass energy crops and the energy efficiency of agricultural operations.

[(b) COMPETITIVE RESEARCH AND EXTENSION GRANTS AUTHORIZED.—In carrying out this section, the Secretary shall make competitive grants to support research and extension activities specified in subsections (c) and (d).

[(c) AGRICULTURAL BIOENERGY FEEDSTOCK RESEARCH AND EXTENSION AREAS.—

[(1) IN GENERAL.—Agricultural bioenergy feedstock research and extension activities funded under the Initiative shall focus on improving agricultural biomass production, biomass conversion in biorefineries, and biomass use by—

[(A) supporting on-farm research on crop species, nutrient requirements, management practices, environmental impacts, and economics;

[(B) supporting the development and operation of on-farm, integrated biomass feedstock production systems;

[(C) leveraging the broad scientific capabilities of the Department of Agriculture and other entities in—

[(i) plant genetics and breeding;

[(ii) crop production;

[(iii) soil and water science;

[(iv) use of agricultural waste; and

[(v) carbohydrate, lipid, protein, and lignin chemistry, enzyme development, and biochemistry; and

[(D) supporting the dissemination of any of the research conducted under this subsection that will assist in achieving the goals of this section.

[(2) SELECTION CRITERIA.—In selecting grant recipients for projects under paragraph (1), the Secretary shall consider—

[(A) the capabilities and experiences of the applicant, including—

[(i) research in actual field conditions; and

[(ii) engineering and research knowledge relating to biofuels or the production of inputs for biofuel production;

[(B) the range of species types and cropping practices proposed for study (including species types and practices studied using side-by-side comparisons of those types and practices);

[(C) the need for regional diversity among feedstocks;

[(D) the importance of developing multiyear data relevant to the production of biomass feedstock crops;

[(E) the extent to which the project involves direct participation of agricultural producers;

[(F) the extent to which the project proposal includes a plan or commitment to use the biomass produced as part of the project in commercial channels; and

[(G) such other factors as the Secretary may determine.

[(d) ENERGY-EFFICIENCY RESEARCH AND EXTENSION AREAS.—On-farm energy-efficiency research and extension activities funded under the Initiative shall focus on developing and demonstrating technologies and production practices relating to—

[(1) improving on-farm renewable energy production;

[(2) encouraging efficient on-farm energy use;

[(3) promoting on-farm energy conservation;

[(4) making a farm or ranch energy-neutral; and

[(5) enhancing on-farm usage of advanced technologies to promote energy efficiency.

[(e) BEST PRACTICES DATABASE.—The Secretary shall develop a best-practices database that includes information, to be available to the public, on—

[(1) the production potential of a variety of biomass crops; and

[(2) best practices for production, collection, harvesting, storage, and transportation of biomass crops to be used as a source of bioenergy.

[(f) ADMINISTRATION.—

[(1) IN GENERAL.—Paragraphs (4), (7), (8), and (11)(B) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)) shall apply with respect to making grants under this section.

[(2) CONSULTATION AND COORDINATION.—The Secretary shall—

[(A) make the grants in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board; and

[(B) coordinate projects and activities carried out under the Initiative with projects and activities under section 9008 of the Farm Security and Rural Investment Act of 2002 to ensure, to the maximum extent practicable, that—

[(i) unnecessary duplication of effort is eliminated or minimized; and

[(ii) the respective strengths of the Department of Agriculture and the Department of Energy are appropriately used.

[(3) GRANT PRIORITY.—The Secretary shall give priority to grant applications that integrate research and extension activities established under subsections (c) and (d), respectively.

[(4) MATCHING FUNDS REQUIRED.—As a condition of receiving a grant under this section, the Secretary shall require the recipient of the grant to provide funds or in-kind support from non-Federal sources in an amount that is at least equal to the amount provided by the Federal Government.

[(5) PARTNERSHIPS ENCOURAGED.—Following the completion of a peer review process for grant proposals received under this section, the Secretary may provide a priority to those grant proposals found as a result of the peer review process—

[(A) to be scientifically meritorious; and

[(B) that involve cooperation—

[(i) among multiple entities; and

[(ii) with agricultural producers.

[(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2008 through 2012.]

SEC. 1672D. FARM BUSINESS MANAGEMENT.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [such sums as are necessary to carry out this section.] *to carry out this section—*

(1) such sums as are necessary for fiscal year 2012; and

(2) $5,000,000 for each of fiscal years 2013 through 2017.

SEC. 1673. REGIONAL CENTERS OF EXCELLENCE.

(a) FUNDING PRIORITIES.—The Secretary shall prioritize regional centers of excellence established for specific agricultural commodities for the receipt of funding for any competitive research or extension program administered by the Secretary.

(b) COMPOSITION.—A regional center of excellence is composed of 1 or more of the eligible entities specified in section 2(b)(7) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(7)).

(c) CRITERIA FOR REGIONAL CENTERS OF EXCELLENCE.—The criteria for consideration to be recognized as a regional center of excellence shall include efforts—

(1) to ensure coordination and cost effectiveness by reducing unnecessarily duplicative efforts regarding research, teaching, and extension;

(2) to leverage available resources by using public/private partnerships among agricultural industry groups, institutions of higher education, and the Federal Government;

(3) to implement teaching initiatives to increase awareness and effectively disseminate solutions to target audiences through extension activities;

(4) to increase the economic returns to rural communities by identifying, attracting, and directing funds to high-priority agricultural issues; and

(5) to improve teaching capacity and infrastructure at colleges and universities (including land-grant institutions, schools of

forestry, schools of veterinary medicine, and NLGCA Institutions).

* * * * * * *

[SEC. 1676. RED MEAT SAFETY RESEARCH CENTER.

[(a) ESTABLISHMENT OF CENTER.—The Secretary of Agriculture shall award a grant, on a competitive basis, to a research facility described in subsection (b) to establish a red meat safety research center.

[(b) ELIGIBLE RESEARCH FACILITY DESCRIBED.—A research facility eligible for a grant under subsection (a) is a research facility that—

[(1) is part of a land-grant college or university, or other federally supported agricultural research facility, located in close proximity to a livestock slaughter and processing facility; and

[(2) is staffed by professionals with a wide diversity of scientific expertise covering all aspects of meat science.

[(c) RESEARCH CONDUCTED.—The red meat safety research center established under subsection (a) shall carry out research related to general food safety, including—an

[(1) the development of intervention strategies that reduce microbiological contamination of carcass surfaces;

[(2) research regarding microbiological mapping of carcass surfaces; and

[(3) the development of model hazard analysis and critical control point plans.

[(d) ADMINISTRATION OF FUNDS.—The Secretary of Agriculture shall administer funds appropriated to carry out this section.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary for fiscal year 1997 to carry out this section.]

* * * * * * *

SEC. 1680. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.

(a) * * *

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), there [is] *are* authorized to be appropriated to carry out this [section $6,000,000 for each of fiscal years 1999 through 2012.] *section—*

(A) $6,000,000 for each of fiscal years 1999 through 2012; and

(B) $3,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

TITLE XXIII—RURAL DEVELOPMENT

* * * * * * *

Subtitle D—Enhancing Human Resources

* * * * * * *

SEC. 2335A. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter [$100,000,000 for each of fiscal years 2008 through 2012] *$65,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

Subtitle G—Rural Revitalization Through Forestry

Chapter 1—Forestry Rural Revitalization

SEC. 2371. FORESTRY RURAL REVITALIZATION.

(a) * * *

* * * * * * *

(d) RURAL REVITALIZATION TECHNOLOGIES.—

(1) * * *

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

SEC. 2381. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

(a) * * *

* * * * * * *

(e) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated $500,000 for each of the fiscal years 1991 through [2012] *2017*.

* * * * * * *

TITLE XXV—OTHER RELATED PROVISIONS

SEC. 2501. OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS *AND VETERAN FARMERS AND RANCHERS*.

(a) OUTREACH AND ASSISTANCE.—

(1) PROGRAM.—The Secretary of Agriculture shall carry out an outreach and technical assistance program to encourage and assist socially disadvantaged farmers and ranchers *and veteran farmers or ranchers*—

(A) * * *

* * * * * * *

(2) REQUIREMENTS.—The outreach and technical assistance program under paragraph (1) shall be used exclusively—

(A) * * *

(B) to assist the Secretary in—

(i) reaching current and prospective socially disadvantaged farmers or ranchers *and veteran farmers or ranchers* in a linguistically appropriate manner; and

* * * * * * *

(4) FUNDING.—

(A) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(i) $15,000,000 for fiscal year 2009; **[**and**]**

(ii) $20,000,000 for each of fiscal years 2010 through 2012**[**.**]***; and*

(iii) $10,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2013 through 2017.

(b) DESIGNATION OF FEDERAL PERSONNEL.—

(1) * * *

(2) ADDITIONAL PERSONNEL.—In counties or regions in which the number of socially disadvantaged farmers and ranchers *or veteran farmers and ranchers* exceeds 25 percent of the total number of farmers and ranchers in the county or region, the Secretary shall designate additional personnel to implement the policies and programs established or modified in accordance with this section.

(c) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than September 30, 1992, and every two years thereafter, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, regarding—

(A) the efforts of the Secretary to enhance participation by *veteran farmers or ranchers and* members of socially disadvantaged groups in agricultural programs;

* * * * * * *

(2) CONTENTS.—In addition to the information specified in paragraph (1), the report required by paragraph (1) shall include—

(A) a comparison of the participation goals and the actual participation rates of *veteran farmers or ranchers and* members of socially disadvantaged groups in each agricultural program;

* * * * * * *

(e) DEFINITIONS.—

(1) * * *

* * * * * * *

(5) ELIGIBLE ENTITY.—The term "eligible entity" means any of the following:

(A) Any community-based organization, network, or coalition of community-based organizations that—

(i) has demonstrated experience in providing agricultural education or other agriculturally related services to socially disadvantaged farmers and ranchers *and veteran farmers or ranchers*;

(ii) has provided to the Secretary documentary evidence of work with, and on behalf of, socially disadvantaged farmers or ranchers *and veteran farmers or ranchers* during the 3-year period preceding the submission of an application for assistance under subsection (a); and

* * * * * * *

(7) VETERAN FARMER OR RANCHER.—The term "veteran farmer or rancher" means a farmer or rancher who served in the active military, naval, or air service, and who was discharged or released from the service under conditions other than dishonorable.

* * * * * * *

FARM SECURITY AND RURAL INVESTMENT ACT OF 2002

* * * * * * *

TITLE III—TRADE

* * * * * * *

Subtitle B—Agricultural Trade Act of 1978

* * * * * * *

SEC. 3107. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.

(a) * * *

* * * * * * *

(d) GENERAL AUTHORITIES.—The Secretary shall **[**to**]**—

(1) * * *

* * * * * * *

(l) FUNDING.—

(1) * * *

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through **[**2012**]** *2017*.

* * * * * * *

Subtitle C—Miscellaneous

* * * * * * *

SEC. 3205. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.

(a) * * *

(b) PURPOSE.—The program shall provide direct assistance through public and private sector projects and technical assistance to remove, resolve, or mitigate sanitary and phytosanitary and [related barriers to trade] *technical barriers to trade*.

* * * * * * *

(e) FUNDING.—

(1) * * *

(2) FUNDING AMOUNTS.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—

(A) * * *

* * * * * * *

(C) $8,000,000 for fiscal year 2010; *and*

[(D) $9,000,000 for fiscal year 2011; and

[(E) $9,000,000 for fiscal year 2012.]

(D) $9,000,000 for each of fiscal years 2011 through 2017.

TITLE IV—NUTRITION PROGRAMS

* * * * * * *

Subtitle D—Miscellaneous

* * * * * * *

SEC. 4402. [SENIORS] FARMERS' MARKET NUTRITION PROGRAM

[(a) ESTABLISHMENT.—The Secretary of Agriculture shall use $5,000,000 for fiscal year 2002, and $15,000,000 for each of fiscal years 2003 through 2007, of the funds available to the Commodity Credit Corporation to carry out and expand a seniors farmers' market nutrition program.]

(a) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall use to carry out and expand the farmers market nutrition program $20,600,000 for each of fiscal years 2013 through 2017.

(2) ADDITIONAL FUNDING.—There is authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2013 through 2017.

(b) PROGRAM PURPOSES.—The purposes of the [seniors] farmers' market nutrition program are—

(1) to provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs from farmers' markets, roadside stands, and community supported agriculture programs to low-income seniors*, and low-income families who are determined to be at nutritional risk*;

* * * * * * *

(c) STATE GRANTS AND OTHER ASSISTANCE.—The Secretary shall carry out the Program through grants and other assistance provided in accordance with agreements made with States, for implementation through State agencies and local agencies, that include provisions—

(1) for the issuance of coupons or vouchers to participating individuals;

(2) establishing an appropriate annual percentage limitation on the use of funds for administrative costs; and

(3) specifying other terms and conditions as the Secretary deems appropriate to encourage expanding the participation of small scale farmers in Federal nutrition programs.

[(c)] *(d)* EXCLUSION OF BENEFITS IN DETERMINING ELIGIBILITY FOR OTHER PROGRAMS.—The value of any benefit provided to any eligible [seniors] farmers' market nutrition program recipient under this section shall not be considered to be income or resources for any purposes under any Federal, State, or local law.

[(d)] *(e)* PROHIBITION ON COLLECTION OF SALES TAX.—Each State shall ensure that no State or local tax is collected within the State on a purchase of food with a benefit distributed under the [seniors] farmers' market nutrition program.

[(e)] *(f)* REGULATIONS.—The Secretary may issue such regulations as the Secretary considers necessary to carry out the [seniors] farmers' market nutrition program.

[(f)] *(g)* FEDERAL LAW NOT APPLICABLE.—Section 920 of the Electronic Fund Transfer Act shall not apply to electronic benefit transfer systems established under this section.

[SEC. 4403. NUTRITION INFORMATION AND AWARENESS PILOT PROGRAM.

[(a) ESTABLISHMENT.—The Secretary of Agriculture may establish, in not more than 5 States, for a period not to exceed 4 years for each participating State, a pilot program to increase the domestic consumption of fresh fruits and vegetables.

[(b) PURPOSE.—

[(1) IN GENERAL.—Subject to paragraph (2), the purpose of the program shall be to provide funds to States solely for the purpose of assisting eligible public and private sector entities with cost-share assistance to carry out demonstration projects—

[(A) to increase fruit and vegetable consumption; and

[(B) to convey related health promotion messages.

[(2) LIMITATION.—Funds made available to a State under the program shall not be used to disparage any agricultural commodity.

[(c) SELECTION OF STATES.—

[(1) IN GENERAL.—In selecting States to participate in the program, the Secretary shall take into consideration, with respect to projects and activities proposed to be carried out under the program—

[(A) experience in carrying out similar projects or activities;

[(B) innovative approaches; and

[(C) the ability of the State to promote and track increases in levels of fruit and vegetable consumption.

[(2) ENHANCEMENT OF EXISTING STATE PROGRAMS.—The Secretary may use the pilot program to enhance existing State programs that are consistent with the purpose of the pilot program specified in subsection (b).

[(d) ELIGIBLE PUBLIC AND PRIVATE SECTOR ENTITIES.—

[(1) IN GENERAL.—A participating State shall establish eligibility criteria under which the State may select public and private sector entities to carry out demonstration projects under the program.

[(2) LIMITATION.—No funds made available to States under the program shall be provided by a State to any foreign for-profit corporation.

[(e) FEDERAL SHARE.—The Federal share of the cost of any project or activity carried out using funds provided under this section shall be 50 percent.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2007.]

* * * * * * *

TITLE VI—RURAL DEVELOPMENT

* * * * * * *

Subtitle E—Miscellaneous

SEC. 6402. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.

(a) * * *

* * * * * * *

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section [$6,000,000 for each of fiscal years 2008 through 2012] *$1,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

TITLE VII—RESEARCH AND RELATED MATTERS

* * * * * * *

Subtitle D—New Authorities

* * * * * * *

SEC. 7405. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.

(a) * * *

* * * * * * *

(c) GRANTS.—

(1) IN GENERAL.—In carrying out this section, the Secretary shall make competitive grants to support new and established local and regional training, education, outreach, and technical assistance initiatives for beginning farmers or ranchers, including programs and services (as appropriate) relating to—

[(A) mentoring, apprenticeships, and internships;

[(B) resources and referral;

[(C) assisting beginning farmers or ranchers in acquiring land from retiring farmers and ranchers;

[(D) innovative farm and ranch transfer strategies;
[(E) entrepreneurship and business training;
[(F) model land leasing contracts;
[(G) financial management training;
[(H) whole farm planning;
[(I) conservation assistance;
[(J) risk management education;
[(K) diversification and marketing strategies;
[(L) curriculum development;
[(M) understanding the impact of concentration and globalization;
[(N) basic livestock and crop farming practices;
[(O) the acquisition and management of agricultural credit;
[(P) environmental compliance;
[(Q) information processing; and
[(R) other similar subject areas of use to beginning farmers or ranchers.]
(A) basic livestock, forest management, and crop farming practices;
(B) innovative farm, ranch, and private, nonindustrial forest land transfer strategies;
(C) entrepreneurship and business training;
(D) financial and risk management training (including the acquisition and management of agricultural credit);
(E) natural resource management and planning;
(F) diversification and marketing strategies;
(G) curriculum development;
(H) mentoring, apprenticeships, and internships;
(I) resources and referral;
(J) farm financial benchmarking;
(K) assisting beginning farmers or ranchers in acquiring land from retiring farmers and ranchers;
(L) agricultural rehabilitation and vocational training for veterans; and
(M) other similar subject areas of use to beginning farmers or ranchers.

* * * * * * *

(7) PRIORITY.—In making grants under this subsection, the Secretary shall give priority to partnerships and collaborations that are led by or include nongovernmental [and community-based organizations]*, community-based organizations, and school-based agricultural educational organizations* with expertise in new agricultural producer training and outreach.

[(8) SET-ASIDE.—Not less than 25 percent of funds used to carry out this subsection for a fiscal year shall be used to support programs and services that address the needs of—
[(A) limited resource beginning farmers or ranchers (as defined by the Secretary);
[(B) socially disadvantaged beginning farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)); and
[(C) farmworkers desiring to become farmers or ranchers.]

(8) MILITARY VETERAN BEGINNING FARMERS AND RANCHERS.—

(A) IN GENERAL.—Not less than 5 percent of the funds used to carry out this subsection for a fiscal year shall be used to support programs and services that address the needs of military veteran beginning farmers and ranchers.

(B) COORDINATION PERMITTED.—A recipient of a grant under this section using the grant as described in subparagraph (A) may coordinate with a recipient of a grant under section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) in addressing the needs of military veteran beginning farmers and ranchers with disabilities.

* * * * * * *

(11) LIMITATION ON INDIRECT COSTS.—A recipient of a grant under this section may not use more than 10 percent of the funds provided by the grant for the indirect costs of carrying out the initiatives described in paragraph (1).

* * * * * * *

(h) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(A) $18,000,000 for fiscal year 2009; **[**and**]**

(B) $19,000,000 for each of fiscal years 2010 through 2012**[**.**]***; and*

(C) $10,000,000 for each of fiscal years 2013 through 2017, to remain available until expended.

(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds provided under paragraph (1), there is authorized to be appropriated to carry out this section $30,000,000 for each of fiscal years 2008 through **[**2012**]** *2017*.

* * * * * * *

SEC. 7407. ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.

(a) * * *

* * * * * * *

(d) FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $5,000,000, to remain available until expended.

(2) MANDATORY FUNDING.—In addition to funds made available under paragraph (1), of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $5,000,000, to remain available until expended.

[(2)**]** *(3)* ADDITIONAL FUNDING.—In addition to funds made available under **[**paragraph (1)**]** *paragraphs (1) and (2)*, there are authorized to be appropriated to carry out this section not more than $5,000,000 for each of fiscal years 2008 through **[**2012**]** *2017*, to remain available until expended.

* * * * * * *

[SEC. 7409. REPORT ON PRODUCERS AND HANDLERS OF ORGANIC AGRICULTURAL PRODUCTS.

[Not later than 1 year after funds are made available to carry out this section, the Secretary shall submit to Congress a report that—

[(1) describes—

[(A) the extent to which producers and handlers of organic agricultural products are contributing to research and promotion programs of the Department;

[(B) the extent to which producers and handlers of organic agricultural products are surveyed for ideas for research and promotion;

[(C) ways in which the programs reflect the contributions made by producers and handlers of organic agricultural products and directly benefit the producers and handlers; and

[(D) the implementation of initiatives that directly benefit organic producers and handlers; and

[(2) evaluates industry and other proposals for improving the treatment of certified organic agricultural products under Federal marketing orders, including proposals to target additional resources for research and promotion of organic products and to differentiate between certified organic and other products in new or existing volume limitations or other orderly marketing requirements.

[SEC. 7410. REPORT ON GENETICALLY MODIFIED PEST-PROTECTED PLANTS.

[It is the sense of Congress that, not later than 1 year after the date of enactment of this Act, the Secretary should—

[(1) review the recommendations of the Committee on Genetically Modified Pest-Protected Plants of the Board on Agriculture and Natural Resources of the National Research Council made during 2000 and the Committee on Environmental Impacts Associated with Commercialization of Transgenic Plants made during 2002, concerning food safety, ecological research, monitoring needs for transgenic crops with plant incorporated protectants, and the environmental effects of transgenic plants; and

[(2) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes actions taken to implement those recommendations by agencies within the Department, including agencies that develop or implement programs or objectives relating to marketing, regulation, food safety, research, education, or economics.

[SEC. 7411. STUDY OF NUTRIENT BANKING.

[(a) IN GENERAL.—The Secretary may conduct a study to evaluate nutrient banking for the purpose of enhancing the health and viability of watersheds in areas with large concentrations of animal producing units.

[(b) COMPONENTS.—In conducting any study under subsection (a), the Secretary shall evaluate the costs, needs, and means by which litter may be collected and distributed outside the applicable watershed to reduce potential point source and nonpoint source phosphorous pollution.

[(c) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of any study conducted under subsection (a).]

* * * * * * *

TITLE VIII—FORESTRY

Subtitle A—Cooperative Forestry Assistance Act of 1978

* * * * * * *

SEC. 8002. ESTABLISHMENT OF FOREST LAND ENHANCEMENT PROGRAM.

[(a) PURPOSES.—The purposes of this section are—

[(1) to strengthen the commitment of the Secretary of Agriculture to sustainable forest management to enhance the productivity of timber, fish and wildlife habitat, soil and water quality, wetland, recreational resources, and aesthetic values of forest land; and

[(2) to establish a coordinated and cooperative Federal, State, and local sustainable forestry program for the establishment, management, maintenance, enhancement, and restoration of forests on nonindustrial private forest land.]

* * * * * * *

TITLE IX—ENERGY

SEC. 9001. DEFINITIONS.

Except as otherwise provided, in this title:

(1) * * *

* * * * * * *

[(4) BIOBASED PRODUCT.—The term "biobased product" means a product determined by the Secretary to be a commercial or industrial product (other than food or feed) that is—

[(A) composed, in whole or in significant part, of biological products, including renewable domestic agricultural materials and forestry materials; or

[(B) an intermediate ingredient or feedstock.]

(4) BIOBASED PRODUCT.—

(A) IN GENERAL.— The term "biobased product" means a product determined by the Secretary to be a commercial or industrial product (other than food or feed) that is—

(i) composed, in whole or in significant part, of biological products, including renewable domestic agricultural materials and forestry materials; or

(ii) an intermediate ingredient or feedstock.

(B) INCLUSION.— The term "biobased product", with respect to forestry materials, includes forest products that meet biobased content requirements, notwithstanding the

market share the product holds, the age of the product, or whether the market for the product is new or emerging.

* * * * * * *

(9) FOREST PRODUCT.—

(A) IN GENERAL.—The term "forest product" means a product made from materials derived from the practice of forestry or the management of growing timber.

(B) INCLUSIONS.—The term "forest product" includes—

(i) pulp, paper, paperboard, pellets, and wood products; and

(ii) any recycled products derived from forest materials.

[(9)**]** *(10)* INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

[(10)**]** *(11)* INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 102(a) of the Higher Education Act of 1965 (20 U.S.C. 1002(a)).

[(11)**]** *(12)* INTERMEDIATE INGREDIENT OR FEEDSTOCK.—The term "intermediate ingredient or feedstock" means a material or compound made in whole or in significant part from biological products, including renewable agricultural materials (including plant, animal, and marine materials) or forestry materials, that are subsequently used to make a more complex compound or product.

[(12)**]** *(13)* RENEWABLE BIOMASS.—The term "renewable biomass" means—

(A) * * *

* * * * * * *

[(13)**]** *(14)* RENEWABLE ENERGY.—The term "renewable energy" means energy derived from—

(A) * * *

* * * * * * *

(15) RENEWABLE ENERGY SYSTEM.—

(A) IN GENERAL.—Subject to subparagraph (B), the term "renewable energy system" means a system that—

(i) produces usable energy from a renewable energy source; and

(ii) may include distribution components necessary to move energy produced by such system to the initial point of sale.

(B) LIMITATION.—A system described in subparagraph (A) may not include a mechanism for dispensing energy at retail.

[(14)**]** *(16)* SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 9002. BIOBASED MARKETS PROGRAM.

(a) * * *

* * * * * * *

(h) FUNDING.—

(1) MANDATORY FUNDING *FOR FISCAL YEARS 2008 THROUGH 2012*.—Of the funds of the Commodity Credit Corporation, the

Secretary shall use to provide mandatory funding for biobased products testing and labeling as required to carry out this section—

(A) * * *

* * * * * * *

(2) DISCRETIONARY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2009 through 2012.

(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2013 through 2017.

SEC. 9003. BIOREFINERY ASSISTANCE.

(a) * * *

* * * * * * *

(c) ASSISTANCE.—The Secretary shall make available [to eligible entities—

[(1) grants to assist in paying the costs of the development and construction of demonstration-scale biorefineries to demonstrate the commercial viability of 1 or more processes for converting renewable biomass to advanced biofuels; and]

[(2) guarantees for loans] *to eligible entities guarantees for loans* made to fund the development, construction, and retrofitting of commercial-scale biorefineries using eligible technology.

[(d) GRANTS.—

[(1) COMPETITIVE BASIS.—The Secretary shall award grants under subsection (c)(1) on a competitive basis.

[(2) SELECTION CRITERIA.—

[(A) IN GENERAL.—In approving grant applications, the Secretary shall establish a priority scoring system that assigns priority scores to each application and only approve applications that exceed a specified minimum, as determined by the Secretary.

[(B) FEASIBILITY.—In approving a grant application, the Secretary shall determine the technical and economic feasibility of the project based on a feasibility study of the project described in the application conducted by an independent third party.

[(C) SCORING SYSTEM.—In determining the priority scoring system, the Secretary shall consider—

[(i) the potential market for the advanced biofuel and the byproducts produced;

[(ii) the level of financial participation by the applicant, including support from non-Federal and private sources;

[(iii) whether the applicant is proposing to use a feedstock not previously used in the production of advanced biofuels;

[(iv) whether the applicant is proposing to work with producer associations or cooperatives;

[(v) whether the applicant has established that the adoption of the process proposed in the application

will have a positive impact on resource conservation, public health, and the environment;

[(vi) the potential for rural economic development;

[(vii) whether the area in which the applicant proposes to locate the biorefinery has other similar facilities;

[(viii) whether the project can be replicated; and

[(ix) scalability for commercial use.

[(3) COST SHARING.—

[(A) LIMITS.—The amount of a grant awarded for development and construction of a biorefinery under subsection (c)(1) shall not exceed an amount equal to 30 percent of the cost of the project.

[(B) FORM OF GRANTEE SHARE.—

[(i) IN GENERAL.—The grantee share of the cost of a project may be made in the form of cash or material.

[(ii) LIMITATION.—The amount of the grantee share that is made in the form of material shall not exceed 15 percent of the amount of the grantee share determined under subparagraph (A).]

[(e)] *(d)* LOAN GUARANTEES.—

(1) SELECTION CRITERIA.—

(A) * * *

* * * * * * *

(C) SCORING SYSTEM.—In determining the priority scoring system for loan guarantees under [subsection (c)(2)] *subsection (c)*, the Secretary shall consider—

(i) * * *

* * * * * * *

(2) LIMITATIONS.—

(A) MAXIMUM AMOUNT OF LOAN GUARANTEED.—The principal amount of a loan guaranteed under [subsection (c)(2)] *subsection (c)* may not exceed $250,000,000.

(B) MAXIMUM PERCENTAGE OF LOAN GUARANTEED.—

(i) IN GENERAL.—Except as otherwise provided in this subparagraph, a loan guaranteed under [subsection (c)(2)] *subsection (c)* shall be in an amount not to exceed 80 percent of the project costs, as determined by the Secretary.

(ii) OTHER DIRECT FEDERAL FUNDING.—The amount of a loan guaranteed for a project under [subsection (c)(2)] *subsection (c)* shall be reduced by the amount of other direct Federal funding that the eligible entity receives for the same project.

(iii) AUTHORITY TO GUARANTEE THE LOAN.—The Secretary may guarantee up to 90 percent of the principal and interest due on a loan guaranteed under [subsection (c)(2)] *subsection (c)*.

(C) LOAN GUARANTEE FUND DISTRIBUTION.—Of the funds made available for loan guarantees for a fiscal year under [subsection (h)] *subsection (g)*, 50 percent of the funds shall be reserved for obligation during the second half of the fiscal year.

[(f)] *(e)* CONSULTATION.—In carrying out this section, the Secretary shall consult with the Secretary of Energy.

[(g)] *(f)* CONDITION ON PROVISION OF ASSISTANCE.—

(1) * * *

* * * * * * *

[(h)] *(g)* FUNDING.—

(1) MANDATORY FUNDING *FOR FISCAL YEARS 2009 AND 2010*.—Of the funds of the Commodity Credit Corporation, the Secretary shall use for the cost of loan guarantees under this section, to remain available until expended—

(A) * * *

* * * * * * *

(2) DISCRETIONARY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $150,000,000 for each of fiscal years 2009 through 2012.

(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2013 through 2017.

[SEC. 9004. REPOWERING ASSISTANCE.

[(a) IN GENERAL.—The Secretary shall carry out a program to encourage biorefineries in existence on the date of enactment of the Food, Conservation, and Energy Act of 2008 to replace fossil fuels used to produce heat or power to operate the biorefineries by making payments for—

[(1) the installation of new systems that use renewable biomass; or

[(2) the new production of energy from renewable biomass.

[(b) PAYMENTS.—

[(1) IN GENERAL.—The Secretary may make payments under this section to any biorefinery that meets the requirements of this section for a period determined by the Secretary.

[(2) AMOUNT.—The Secretary shall determine the amount of payments to be made under this section to a biorefinery after considering—

[(A) the quantity of fossil fuels a renewable biomass system is replacing;

[(B) the percentage reduction in fossil fuel used by the biorefinery that will result from the installation of the renewable biomass system; and

[(C) the cost and cost effectiveness of the renewable biomass system.

[(c) ELIGIBILITY.—To be eligible to receive a payment under this section, a biorefinery shall demonstrate to the Secretary that the renewable biomass system of the biorefinery is feasible based on an independent feasibility study that takes into account the economic, technical and environmental aspects of the system.

[(d) FUNDING.—

[(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to make payments under this section $35,000,000 for fiscal year 2009, to remain available until expended.

[(2) DISCRETIONARY FUNDING.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2009 through 2012.]

SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.

(a) * * *

* * * * * * *

(g) FUNDING.—

(1) MANDATORY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to remain available until expended—

(A) * * *

* * * * * * *

(2) DISCRETIONARY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2009 through 2012.

(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2013 through 2017.

[(3)] *(4)* LIMITATION.—Of the funds provided for each fiscal year, not more than 5 percent of the funds shall be made available to eligible producers for production at facilities with a total refining capacity exceeding 150,000,000 gallons per year.

SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.

(a) * * *

* * * * * * *

[(d) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $1,000,000 for each of fiscal years 2008 through 2012.]

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2013 through 2017.

SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.

(a) * * *

* * * * * * *

(c) FINANCIAL ASSISTANCE FOR ENERGY EFFICIENCY IMPROVEMENTS AND RENEWABLE ENERGY SYSTEMS.—

(1) * * *

(2) TIERED APPLICATION PROCESS.—In carrying out this subsection, the Secretary shall establish a three-tiered application, evaluation, and oversight process that varies based on the cost of the proposed project with the process most simplified for projects referred to in subparagraph (A), more comprehensive for projects referred to in subparagraph (B), and most comprehensive for projects referred to in subparagraph (C). The three tiers for such process shall be as follows:

(A) TIER 1.—Projects for which the cost of the project funded under this subsection is not more than $80,000.

(B) TIER 2.—Projects for which the cost of the project funded under this subsection is more than $80,000 but less than $200,000.

(C) TIER 3.—Projects for which the cost of the project funded under this subsection is $200,000 or more.

[(2)] *(3)* AWARD CONSIDERATIONS.—In determining the amount of a loan guarantee or grant provided under this section, the Secretary shall take into consideration, as applicable—

(A) * * *

* * * * * * *

[(3) FEASIBILITY STUDIES.—

[(A) IN GENERAL.—The Secretary may provide assistance in the form of grants to an agricultural producer or rural small business to conduct a feasibility study for a project for which assistance may be provided under this subsection.

[(B) LIMITATION.—The Secretary shall use not more than 10 percent of the funds made available to carry out this subsection to provide assistance described in subparagraph (A).

[(C) AVOIDANCE OF DUPLICATIVE ASSISTANCE.—An entity shall be ineligible to receive assistance to carry out a feasibility study for a project under this paragraph if the entity has received other Federal or State assistance for a feasibility study for the project.]

* * * * * * *

(g) FUNDING.—

(1) MANDATORY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to remain available until expended—

(A) * * *

* * * * * * *

(2) AUDIT AND TECHNICAL ASSISTANCE FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—

(A) * * *

* * * * * * *

(3) DISCRETIONARY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2009 through 2012.

(4) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $45,000,000 for each of fiscal years 2013 through 2017.

SEC. 9008. BIOMASS RESEARCH AND DEVELOPMENT.

(a) * * *

* * * * * * *

(h) FUNDING.—

(1) MANDATORY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—Of the funds of the Commodity Credit Corporation, the

Secretary of Agriculture shall use to carry out this section, to remain available until expended—

(A) * * *

* * * * * * *

(2) DISCRETIONARY FUNDING *FOR FISCAL YEARS 2009 THROUGH 2012*.—In addition to any other funds made available to carry out this section, there is authorized to be appropriated to carry out this section $35,000,000 for each of fiscal years 2009 through 2012.

(3) FISCAL YEARS 2013 THROUGH 2017.—There are authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 9010. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS.

(a) * * *

(b) FEEDSTOCK FLEXIBILITY PROGRAM.—

(1) IN GENERAL.—

(A) PURCHASES AND SALES.—For each of the 2008 through [2012] *2017* crops, the Secretary shall purchase eligible commodities from eligible entities and sell such commodities to bioenergy producers for the purpose of producing bioenergy in a manner that ensures that section 156 of the Federal Agriculture Improvement and Reform Act (7 U.S.C. 7272) is operated at no cost to the Federal Government by avoiding forfeitures to the Commodity Credit Corporation.

* * * * * * *

(2) NOTICE.—

(A) IN GENERAL.—As soon as practicable after the date of enactment of the Food, Conservation, and Energy Act of 2008 and each September 1 thereafter through September 1, [2012] *2017*, the Secretary shall provide notice to eligible entities and bioenergy producers of the quantity of eligible commodities that shall be made available for purchase and sale for the crop year following the date of the notice under this section.

* * * * * * *

SEC. 9011. BIOMASS CROP ASSISTANCE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(6) ELIGIBLE MATERIAL.—

[(A) IN GENERAL.—The term "eligible material" means renewable biomass.

[(B) EXCLUSIONS.—The term "eligible material" does not include—

[(i) any crop that is eligible to receive payments under title I of the Food, Conservation, and Energy Act of 2008 or an amendment made by that title;

[(ii) animal waste and byproducts (including fats, oils, greases, and manure);

[(iii) food waste and yard waste; or

[(iv) algae.]

[(7)] *(6)* PRODUCER.—The term "producer" means an owner or operator of contract acreage that is physically located within a BCAP project area.

[(8)] *(7)* PROJECT SPONSOR.—The term "project sponsor" means—

(A) * * *

* * * * * * *

(b) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish and administer a Biomass Crop Assistance [Program to—

[(1) support the establishment] *Program to support the establishment* and production of eligible crops for conversion to bioenergy in selected BCAP project areas[; and].

[(2) assist agricultural and forest land owners and operators with collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.]

(c) BCAP PROJECT AREA.—

(1) * * *

(2) SELECTION OF PROJECT AREAS.—

(A) * * *

(B) BCAP PROJECT AREA SELECTION CRITERIA.—In selecting BCAP project areas, the Secretary shall consider—

(i) * * *

* * * * * * *

(viii) the range of eligible crops among project areas[; and]*;*

(ix) existing project areas that have received funding under this section and the continuation of funding of such project areas to advance the maturity of such project areas; and

[(ix)] *(x)* any additional information, as determined by the Secretary.

* * * * * * *

(5) PAYMENTS.—

(A) * * *

* * * * * * *

(C) AMOUNT OF ANNUAL PAYMENTS.—

(i) * * *

(ii) REDUCTION.—The Secretary shall reduce an annual payment by an amount determined to be appropriate by the Secretary, if—

(I) * * *

* * * * * * *

[(III) the producer receives a payment under subsection (d);]

[(IV)] *(III)* the producer violates a term of the contract; or

[(V)] *(IV)* there are such other circumstances, as determined by the Secretary to be necessary to carry out this section.

[(d) ASSISTANCE WITH COLLECTION, HARVEST, STORAGE, AND TRANSPORTATION.—

[(1) IN GENERAL.—The Secretary shall make a payment for the delivery of eligible material to a biomass conversion facility to—

[(A) a producer of an eligible crop that is produced on BCAP contract acreage; or

[(B) a person with the right to collect or harvest eligible material.

[(2) PAYMENTS.—

[(A) COSTS COVERED.—A payment under this subsection shall be in an amount described in subparagraph (B) for—

[(i) collection;

[(ii) harvest;

[(iii) storage; and

[(iv) transportation to a biomass conversion facility.

[(B) AMOUNT.—Subject to paragraph (3), the Secretary may provide matching payments at a rate of $1 for each $1 per ton provided by the biomass conversion facility, in an amount equal to not more than $45 per ton for a period of 2 years.

[(3) LIMITATION ON ASSISTANCE FOR BCAP CONTRACT ACREAGE.—As a condition of the receipt of annual payment under subsection (c), a producer receiving a payment under this subsection for collection, harvest, storage or transportation of an eligible crop produced on BCAP acreage shall agree to a reduction in the annual payment.]

[(e)] *(d)* REPORT.—Not later than 4 years after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the dissemination by the Secretary of the best practice data and information gathered from participants receiving assistance under this section.

[(f) FUNDING.—Of the funds] *(e) FUNDING.—*

(1) FISCAL YEARS 2008 THROUGH 2012.—*Of the funds* of the Commodity Credit Corporation, the Secretary shall use to carry out this section such sums as are necessary for each of fiscal years 2008 through 2012.

(2) FISCAL YEARS 2013 THROUGH 2017.—

(A) IN GENERAL.—Subject to subparagraph (B), there are authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2013 through 2017.

(B) MULTIYEAR CONTRACTS.—For each multiyear contract entered into by the Secretary during a fiscal year under this section, the Secretary shall ensure that sufficient funds are obligated from the appropriation for that fiscal year to fully cover all payments required by the contract for all years of the contract.

* * * * * * *

SEC. 9013. COMMUNITY WOOD ENERGY PROGRAM.

(a) * * *

* * * * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to [carry out this section $5,000,000 for each of fiscal years 2009 through 2012.] *carry out this section—*

(1) $5,000,000 for each of fiscal years 2009 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

TITLE X—MISCELLANEOUS

* * * * * * *

Subtitle G—Specialty Crops

* * * * * * *

SEC. 10603. PURCHASE OF SPECIALTY CROPS.

(a) * * *

(b) PURCHASE OF FRESH FRUITS AND VEGETABLES FOR DISTRIBUTION TO SCHOOLS AND SERVICE INSTITUTIONS.—The Secretary of Agriculture shall purchase fresh fruits and vegetables for distribution to schools and service institutions in accordance with section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) using, of the amount specified in subsection (a), not less than $50,000,000 for each of fiscal years 2008 through [2012] *2017*.

(c) PILOT GRANT PROGRAM FOR PURCHASE OF FRESH FRUITS AND VEGETABLES.—

(1) IN GENERAL.—Using amounts made available to carry out subsection (b), the Secretary of Agriculture shall conduct a pilot program under which the Secretary will give not more than five participating States the option of receiving a grant in an amount equal to the value of the commodities that the participating State would otherwise receive under this section for each of fiscal years 2013 through 2017.

(2) USE OF GRANT FUNDS.—A participating State receiving a grant under this subsection may use the grant funds solely to purchase fresh fruits and vegetables for distribution to schools and service institutions in the State that participate in the food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(3) SELECTION OF PARTICIPATING STATES.—The Secretary shall select participating States from applications submitted by the States.

(4) REPORTING REQUIREMENTS.—

(A) SCHOOL AND SERVICE INSTITUTION REQUIREMENT.—Schools and service institutions in a participating State shall keep records of purchases of fresh fruits and vegetables made using the grant funds and report such records to the State.

(B) STATE REQUIREMENT.—Each participating State shall submit to the Secretary a report on the success of the pilot program in the State, including information on—

(i) the amount and value of each type of fresh fruit and vegetable purchased by the State; and

(ii) the benefit provided by such purchases in conducting the school food service in the State, including meeting school meal requirements.

[(c)] *(d)* DEFINITIONS.—In this section, the terms "fruits", "vegetables", and "other specialty food crops" shall have the meaning given the terms by the Secretary of Agriculture.

* * * * * * *

[SEC. 10606. NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.

[(a) IN GENERAL.—Of funds of the Commodity Credit Corporation, the Secretary of Agriculture (acting through the Agricultural Marketing Service) shall use $5,000,000 for fiscal year 2002, to remain available until expended, to establish a national organic certification cost-share program to assist producers and handlers of agricultural products in obtaining certification under the national organic production program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

[(b) FEDERAL SHARE.—

[(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall pay under this section not more than 75 percent of the costs incurred by a producer or handler in obtaining certification under the national organic production program, as certified to and approved by the Secretary.

[(2) MAXIMUM AMOUNT.—The maximum amount of a payment made to a producer or handler under this section shall be $500.]

* * * * * * *

DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994

* * * * * * *

TITLE II—DEPARTMENT OF AGRICULTURE REORGANIZATION

* * * * * * *

Subtitle A—General Reorganization Authorities

* * * * * * *

SEC. 219. MILITARY VETERANS AGRICULTURAL LIAISON.

(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Military Veterans Agricultural Liaison.

(b) DUTIES.—The Military Veterans Agricultural Liaison shall—

(1) provide information to returning veterans about, and connect returning veterans with, beginning farmer training and agricultural vocational and rehabilitation programs appropriate

to the needs and interests of returning veterans, including assisting veterans in using Federal veterans educational benefits for purposes relating to beginning a farming or ranching career;

(2) provide information to veterans concerning the availability of and eligibility requirements for participation in agricultural programs, with particular emphasis on beginning farmer and rancher programs;

(3) serve as a resource for assisting veteran farmers and ranchers, and potential farmers and ranchers, in applying for participation in agricultural programs; and

(4) advocate on behalf of veterans in interactions with employees of the Department.

* * * * * * *

Subtitle B—Farm and Foreign Agricultural Services

SEC. 225. UNDER SECRETARY OF AGRICULTURE FOR FARM AND FOREIGN AGRICULTURAL SERVICES.

(a) AUTHORIZATION.—The Secretary is authorized to establish in the Department the position of [Under Secretary of Agriculture for Farm and Foreign Agricultural Services] *Under Secretary of Agriculture for Farm Services*.

(b) CONFIRMATION REQUIRED.—If the Secretary establishes the position of [Under Secretary of Agriculture for Farm and Foreign Agricultural Services] *Under Secretary of Agriculture for Farm Services* authorized under subsection (a), the Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

(c) FUNCTIONS OF UNDER SECRETARY.—

(1) PRINCIPAL FUNCTIONS.—Upon establishment, the Secretary shall delegate to the [Under Secretary of Agriculture for Farm and Foreign Agricultural Services] *Under Secretary of Agriculture for Farm Services* those functions under the jurisdiction of the Department that are related to farm [and foreign agricultural] services.

(2) ADDITIONAL FUNCTIONS.—The [Under Secretary of Agriculture for Farm and Foreign Agricultural Services] *Under Secretary of Agriculture for Farm Services* shall perform such other functions as may be required by law or prescribed by the Secretary.

* * * * * * *

SEC. 225A. UNDER SECRETARY OF AGRICULTURE FOR FOREIGN AGRICULTURAL SERVICES.

(a) AUTHORIZATION.—The Secretary is authorized to establish in the Department the position of Under Secretary of Agriculture for Foreign Agricultural Services.

(b) CONFIRMATION REQUIRED.—If the Secretary establishes the position of Under Secretary of Agriculture for Foreign Agricultural Services under subsection (a), the Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

(c) FUNCTIONS OF UNDER SECRETARY.—

(1) PRINCIPAL FUNCTIONS.—Upon establishment, the Secretary shall delegate to the Under Secretary of Agriculture for Foreign Agricultural Services those functions under the jurisdiction of the Department that are related to foreign agricultural services.

(2) ADDITIONAL FUNCTIONS.—The Under Secretary of Agriculture for Foreign Agricultural Services shall perform such other functions as may be required by law or prescribed by the Secretary.

(d) SUCCESSION.—Any official who is serving as Under Secretary of Agriculture for Farm and Foreign Agricultural Services on the date of the enactment of this section and who was appointed by the President, by and with the advice and consent of the Senate, shall not be required to be reappointed under subsection (b) or section 225(b) to the successor position authorized under subsection (a) or section 225(a) if the Secretary establishes the position, and the official occupies the new position, with 180 days after the date of the enactment of this section (or such later date set by the Secretary if litigation delays rapid succession).

* * * * * * *

SEC. 226B. OFFICE OF ADVOCACY AND OUTREACH.

(a) * * *

* * * * * * *

(f) FARMWORKER COORDINATOR.—

(1) * * *

* * * * * * *

[(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2009 through 2012.]

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

(A) such sums as are necessary for each of fiscal years 2009 through 2012; and

(B) $2,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

Subtitle F—Research, Education, and Economics

SEC. 251. UNDER SECRETARY OF AGRICULTURE FOR RESEARCH, EDUCATION, AND ECONOMICS.

(a) * * *

* * * * * * *

(f) NATIONAL INSTITUTE OF FOOD AND AGRICULTURE.—

(1) DEFINITIONS.—In this subsection:

(A) * * *

* * * * * * *

(D) COMPETITIVE PROGRAM.—The term "competitive program" means each of the following agricultural research, extension, education, and related programs for which the

Secretary has administrative or other authority as of the day before the date of enactment of the Food, Conservation, and Energy Act of 2008:

(i) * * *

* * * * * * *

[(xi) The administration and management of the Agricultural Bioenergy Feedstock and Energy Efficiency Research and Extension Initiative carried out under section 1672C of the Food, Agriculture, Conservation, and Trade Act of 1990.]

[(xii) The research, extension, and education programs authorized by section 407 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7627) relating to the competitiveness, viability and sustainability of small- and medium-sized dairy, livestock, and poultry operations.]

[(xiii)] *(xi)* Other programs that are competitive programs, as determined by the Secretary.

* * * * * * *

Subtitle J—Miscellaneous Reorganization Provisions

* * * * * * *

SEC. 296. TERMINATION OF AUTHORITY.

(a) * * *

(b) FUNCTIONS.—Subsection (a) shall not affect—

(1) * * *

* * * * * * *

(6) the authority of the Secretary to establish in the Department, under section 251—

(A) * * *

* * * * * * *

(C) the National Institute of Food and Agriculture; [or]

(7) the authority of the Secretary to establish in the Department the Office of Advocacy and Outreach in accordance with section 226B[.]*;*

(8) the authority of the Secretary to establish in the Department the position of Under Secretary of Agriculture for Foreign Agricultural Services in accordance with section 225A;

(9) the authority of the Secretary to establish in the Office of the Secretary the Office of Tribal Relations in accordance with section 309; and

(10) the authority of the Secretary to establish in the Department the position of Military Veterans Agricultural Liaison in accordance with section 219.

TITLE III—MISCELLANEOUS

* * * * * * *

SEC. 309. OFFICE OF TRIBAL RELATIONS.

The Secretary shall establish in the Office of the Secretary an Office of Tribal Relations to advise the Secretary on policies related to Indian tribes.

* * * * * * *

FOOD AND NUTRITION ACT OF 2008

* * * * * * *

DEFINITIONS

SEC. 3. As used in this Act, the term:

(a) * * *

* * * * * * *

(g) "Coupon" means any coupon, stamp, type of certificate, authorization card, cash or check issued in lieu of a [coupon,] *coupon*.

* * * * * * *

(k) "Food" means (1) any food or food product for home consumption except alcoholic beverages, tobacco, and hot foods or hot food products ready for immediate consumption other than those authorized pursuant to clauses (3), (4), (5), (7), (8), and (9) of this subsection, (2) seeds and plants for use in gardens to produce food for the personal consumption of the eligible household, (3) in the case of those persons who are sixty years of age or over or who receive supplemental security income benefits or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act, and their spouses, meals prepared by and served in senior citizens' centers, apartment buildings occupied primarily by such persons, public or private nonprofit establishments (eating or otherwise) that feed such persons, private establishments that contract with the appropriate agency of the State to offer meals for such persons at concessional prices *subject to section 9(h)*, and meals prepared for and served to residents of federally subsidized housing for the elderly, (4) in the case of persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise so disabled that they are unable adequately to prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or by a private establishment that contracts with the appropriate State agency to perform such services at concessional prices *subject to section 9(h)*, (5) in the case of narcotics addicts or alcoholics, and their children, served by drug addiction or alcoholic treatment and rehabilitation programs, meals prepared and served under such programs, (6) in the case of certain eligible households living in Alaska, equipment for procuring food by hunting and fishing, such as nets, hooks, rods, harpoons, and knives (but not equipment for purposes of transportation, clothing, or shelter, and not firearms, ammunition, and explosives) if the Secretary determines that such households are located in an area of the State where it is extremely difficult to reach stores selling food and that such households depend to a substantial extent upon hunting and fishing for subsistence, (7) in the case of disabled or blind recipients of benefits under title I, II, X, XIV, or XVI of the Social Security Act, [or are] *and*

individuals described in paragraphs (2) through (7) of subsection (j), who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under such section, meals prepared and served under such arrangement, (8) in the case of women and children temporarily residing in public or private nonprofit shelters for battered women and children, meals prepared and served, by such shelters, and (9) in the case of households that do not reside in permanent dwellings and households that have no fixed mailing addresses, meals prepared for and served by a public or private nonprofit establishment (approved by an appropriate State or local agency) that feeds such individuals and by private establishments that contract with the appropriate agency of the State to offer meals for such individuals at concessional prices *subject to section 9(h)*.

[(l) "Food stamp program" means the program operated pursuant to the provisions of this Act.**]**

[(m)**]** *(l)* "Homeless individual" means—

(1) * * *

* * * * * * *

[(n)**]** *(m)*(1) * * *

* * * * * * *

[(o)**]** *(n)* "Reservation" means the geographically defined area or areas over which a tribal organization exercises governmental jurisdiction.

[(p)**]** *(o)* "Retail food store" means—

(1) an establishment or house-to-house trade route that sells food for home preparation and consumption and—

(A) offers for sale, on a continuous basis, a variety of foods in each of the 4 categories of staple foods specified in subsection (r)(1), including perishable foods in **[**at least 2**]** *at least 3* of the categories; or

* * * * * * *

(3) a store purveying the hunting and fishing equipment described in subsection (k)(6); **[**and**]**

(4) any private nonprofit cooperative food purchasing venture, including those in which the members pay for food purchased prior to the receipt of such food**[**.**]***; and*

(5) a governmental or private nonprofit food purchasing and delivery service that—

(A) purchases food for, and delivers such food to, individuals who are—

(i) unable to shop for food; and

(ii)(I) not less than 60 years of age; or

(II) physically or mentally handicapped or otherwise disabled;

(B) clearly notifies the participating household at the time such household places a food order—

(i) of any delivery fee associated with the food purchase and delivery provided to such household by such service; and

(ii) that a delivery fee cannot be paid with benefits provided under supplemental nutrition assistance program; and

(C) sells food purchased for such household at the price paid by such service for such food and without any additional cost markup.

[(q)] *(p)* "Secretary" means the Secretary of Agriculture.

[(r)] *(q)*(1) * * *

* * * * * * *

[(s)] *(r)* "State" means the fifty States, the District of Columbia, Guam, the Virgin Islands of the United States, and the reservations of an Indian tribe whose tribal organization meets the requirements of this Act for participation as a State agency.

[(t)] *(s)* "State agency" means (1) the agency of State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within such State, and in those States where such assistance programs are operated on a decentralized basis, the term shall include the counterpart local agencies administering such programs, and (2) the tribal organization of an Indian tribe determined by the Secretary to be capable of effectively administering a food distribution program under section 4(b) of this Act or a supplemental nutrition assistance program under section 11(d) of this Act.

(t) "Supplemental nutritional assistance program" means the program operated pursuant to this Act.

* * * * * * *

ESTABLISHMENT OF THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

SEC. 4. (a) Subject to the availability of funds appropriated under section 18 of this Act, the Secretary is authorized to formulate and administer a supplemental nutrition assistance program under which, at the request of the State agency, eligible households within the State shall be provided an opportunity to obtain a more nutritious diet through the issuance to them of an allotment, except that a State may not participate in the supplemental nutrition assistance program if the Secretary determines that State or local sales taxes are collected within that State on purchases of food made with benefits issued under this Act. The benefits so received by such households shall be used only to purchase food from retail food stores which have been approved for participation in the supplemental nutrition assistance program. [benefits] *Benefits* issued and used as provided in this Act shall be redeemable at face value by the Secretary through the facilities of the Treasury of the United States.

(b) FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS.—

(1) * * *

* * * * * * *

(6) TRADITIONAL AND LOCALLY-GROWN FOOD FUND.—

(A) * * *

* * * * * * *

(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this paragraph $5,000,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

ELIGIBLE HOUSEHOLDS

SEC. 5. (a) Participation in the supplemental nutrition assistance program shall be limited to those households whose incomes and other financial resources, held singly or in joint ownership, are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Notwithstanding any other provisions of this Act except [sections 6(b), 6(d)(2), and 6(g)] *subsections (b), (d)(2), (g), and (r) of section 6* and section 3(n)(4), [households in which each member receives benefits] *households in which each member receives cash assistance* under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), supplemental security income benefits under title XVI of the Social Security Act, or aid to the aged, blind, or disabled under title I, X, XIV, or XVI of the Social Security Act, shall be eligible to participate in the supplemental nutrition assistance program. Except for sections 6, 16(e)(1), and section 3(n)(4), households in which each member receives benefits under a State or local general assistance program that complies with standards established by the Secretary for ensuring that the program is based on income criteria comparable to or more restrictive than those under subsection (c)(2), and not limited to one-time emergency payments that cannot be provided for more than one consecutive month, shall be eligible to participate in the supplemental nutrition assistance program. Assistance under this program shall be furnished to all eligible households who make application for such participation.

* * * * * * *

(e) DEDUCTIONS FROM INCOME.—

(1) * * *

* * * * * * *

(5) EXCESS MEDICAL EXPENSE DEDUCTION.—

(A) * * *

* * * * * * *

(C) EXCLUSION OF MEDICAL MARIJUANA.—The Secretary shall promulgate rules to ensure that medical marijuana is not treated as a medical expense for purposes of this paragraph.

(6) EXCESS SHELTER EXPENSE DEDUCTION.—

(A) * * *

* * * * * * *

(C) STANDARD UTILITY ALLOWANCE.—

(i) IN GENERAL.—In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary*, subject to clause (iv)*, ex-

cept that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.

* * * * * * *

(iv) AVAILABILITY OF ALLOWANCE TO RECIPIENTS OF ENERGY ASSISTANCE.—

(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if [the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.] *the payment received by, or made on behalf of, the household exceeds $10 or a higher amount annually, as determined by the Secretary.*

* * * * * * *

(i)(1) * * *

(2)(A) * * *

* * * * * * *

(D) Any sponsor of an alien, and such alien, shall be jointly and severably liable for an amount equal to any overpayment made to such alien during the period of three years after such alien's entry into the United States, on account of such sponsor's failure to provide correct information under the provisions of this section, except where such sponsor was without fault, or where good cause for such failure existed. Any such overpayment which is not repaid shall be recovered in accordance with the provisions of [section 13(b)(2)] *section 13(b)* of this Act.

* * * * * * *

(j) Notwithstanding subsections (a) through (i), a State agency shall consider a household member who receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1382 et seq.), aid to the aged, blind, or disabled under title I, II, X, XIV, or XVI of such Act (42 U.S.C. 301 et seq.), [or who receives benefits under a State program] *or who receives cash assistance under a State program* funded under part A of title IV of the Act (42 U.S.C. 601 et seq.) to have satisfied the resource limitations prescribed under subsection (g).

(k)(1) * * *

* * * * * * *

(4) THIRD PARTY ENERGY ASSISTANCE PAYMENTS.—

(A) ENERGY ASSISTANCE PAYMENTS.—For purposes of subsection (d)(1), a payment made under a State law (other than a law referred to in [paragraph (2)(H)] *paragraph (2)(G)*) to provide energy assistance to a household

shall be considered money payable directly to the household.

* * * * * * *

ELIGIBILITY DISQUALIFICATIONS

SEC. 6. (a) * * *

* * * * * * *

(d) CONDITIONS OF PARTICIPATION.—

(1) * * *

* * * * * * *

(4) EMPLOYMENT AND TRAINING.—

(A) * * *

(B) For purposes of this Act, an "employment and training program" means a program that contains one or more of the following components, except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:

(i) * * *

* * * * * * *

(vii) Programs intended to ensure job retention by providing job retention services, if the job retention services are provided for a period of not more than 90 days after an individual who received employment and training services under this paragraph gains employment.

* * * * * * *

(F)(i) * * *

* * * * * * *

(iii) Any individual voluntarily electing to participate in a program under this paragraph shall not be subject to the limitations described in clauses (i) and (ii).

* * * * * * *

(e) No individual who is a member of a household otherwise eligible to participate in the supplemental nutrition assistance program under this section shall be eligible to participate in the supplemental nutrition assistance program as a member of that or any other household if the individual is enrolled at least half-time in an institution of higher education, unless the individual—

(1) * * *

* * * * * * *

(3) is assigned to or placed in an institution of higher education through or in compliance with the requirements of—

(A) * * *

(B) an employment and training program under this [section;] *section, subject to the condition that the course or program of study—*

(i) is part of a program of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) that may be completed in not more than 4 years at an institution of higher education (as defined in sec-

tion 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)); or

(ii) is limited to remedial courses, basic adult education, literacy, or English as a second language;

* * * * * * *

(r) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

(1) IN GENERAL.—Any household in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings.

(2) DURATION OF INELIGIBILITY.—A household described in paragraph (1) shall remain ineligible for participation until the household meets the allowable financial resources and income eligibility requirements under subsections (c), (d), (e), (f), (g), (i), (k), (l), (m), and (n) of section 5.

(3) AGREEMENTS.—As determined by the Secretary, each State agency, to the maximum extent practicable, shall establish agreements with entities responsible for the regulation or sponsorship of gaming in the State to determine whether individuals participating in the supplemental nutrition assistance program have received substantial lottery or gambling winnings.

SEC. 7. ISSUANCE AND USE OF PROGRAM BENEFITS.

(a) * * *

* * * * * * *

(f) ALTERNATIVE BENEFIT DELIVERY.—

(1) * * *

[(2) NO IMPOSITION OF COSTS.—The cost of documents or systems that may be required by this subsection may not be imposed upon a retail food store participating in the supplemental nutrition assistance program.]

(2) IMPOSITION OF COSTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall require participating retailers (including restaurants participating in a State option restaurant program intended to serve the elderly, disabled, and homeless) to pay 100 percent of the costs of acquiring, and arrange for the implementation of, electronic benefit transfer point-of-sale equipment and supplies.

(B) EXEMPTIONS.—The Secretary may exempt from subparagraph (A)—

(i) farmers' markets, military commissaries, nonprofit food buying cooperatives, and establishments, organizations, programs, or group living arrangements described in paragraphs (5), (7), and (8) of section 3(k); and

(ii) establishments described in paragraphs (3), (4), and (9) of section 3(k), other than restaurants participating in a State option restaurant program.

* * * * * * *

(4) TERMINATION OF MANUAL VOUCHERS.—

(A) IN GENERAL.—Effective beginning on the effective date of this paragraph, except as provided in subparagraph (B),

no State shall issue manual vouchers to a household that receives supplemental nutrition assistance under this Act or allow retailers to accept manual vouchers as payment, unless the Secretary determines that the manual vouchers are necessary, such as in the event of an electronic benefit transfer system failure or a disaster situation.

(B) EXEMPTIONS.—The Secretary may exempt categories of retailers or individual retailers from subparagraph (A) based on criteria established by the Secretary.

(5) UNIQUE IDENTIFICATION NUMBER REQUIRED.—In an effort to enhance the antifraud protections of the program, the Secretary shall require all parties providing electronic benefit transfer services to provide for and maintain a unique terminal identification number information through the supplemental nutrition assistance program electronic benefit transfer transaction routing system. In developing the regulations implementing this paragraph, the Secretary shall consider existing commercial practices for other point-of-sale debit transactions. The Secretary shall issue proposed regulations implementing this paragraph not earlier than 2 years after the date of enactment of this paragraph.

* * * * * * *

(h) ELECTRONIC BENEFIT TRANSFERS.—

(1) * * *

* * * * * * *

(3) In the case of a system described in paragraph (1) in which participation is not optional for households, the Secretary shall not approve such a system unless—

(A) * * *

(B) any special equipment necessary to allow households to purchase food with the benefits issued under this Act [is operational—

[(i) in the case of a participating retail food store in which coupons are used to purchase 15 percent or more of the total dollar amount of food sold by the store (as determined by the Secretary), at all registers in the store; and

[(ii) in the case of other participating stores,] *is operational* at a sufficient number of registers to provide service that is comparable to service provided individuals who are not members of households receiving supplemental nutrition assistance program benefits, as determined by the Secretary.

* * * * * * *

(8) REPLACEMENT [CARD FEE] *OF CARDS*.—[A State]

(A) FEES.—A State agency may collect a charge for replacement of an electronic benefit transfer card by reducing the monthly allotment of the household receiving the replacement card.

(B) PURPOSEFUL LOSS OF CARDS.—

(i) IN GENERAL.—Subject to terms and conditions established by the Secretary in accordance with clause (ii), if a household makes excessive requests for replacement of the electronic benefit transfer card of the

household, the Secretary may require a State agency to decline to issue a replacement card to the household unless the household, upon request of the State agency, provides an explanation for the loss of the card.

(ii) REQUIREMENTS.—The terms and conditions established by the Secretary shall provide that—

(I) the household be given the opportunity to provide the requested explanation and meet the requirements under this paragraph promptly;

(II) after an excessive number of lost cards, the head of the household shall be required to review program rights and responsibilities with State agency personnel authorized to make determinations under section 5(a); and

(III) any action taken, including actions required under section 6(b)(2), other than the withholding of the electronic benefit transfer card until an explanation described in subclause (I) is provided, shall be consistent with the due process protections under section 6(b) or 11(e)(10), as appropriate.

(C) PROTECTING VULNERABLE PERSONS.—In implementing this paragraph, a State agency shall act to protect homeless persons, persons with disabilities, victims of crimes, and other vulnerable persons who lose electronic benefit transfer cards but are not intentionally committing fraud.

(D) EFFECT ON ELIGIBILITY.—While a State may decline to issue an electronic benefits transfer card until a household satisfies the requirements under this paragraph, nothing in this paragraph shall be considered a denial of, or limitation on, the eligibility for benefits under section 5.

* * * * * * *

[(12)**]** *(13)* INTERCHANGE FEES.—No interchange fees shall apply to electronic benefit transfer transactions under this subsection.

* * * * * * *

(14) DEMONSTRATION PROJECTS ON ACCEPTANCE OF BENEFITS OF MOBILE TRANSACTIONS.—

(A) IN GENERAL.—The Secretary shall pilot the use of mobile technologies determined by the Secretary to be appropriate to test the feasibility and implications for program integrity, by allowing retail food stores, farmers markets, and other direct producer-to-consumer marketing outlets to accept benefits from recipients of supplemental nutrition assistance through mobile transactions.

(B) DEMONSTRATION PROJECTS.—To be eligible to participate in a demonstration project under subsection (a), a retail food store, farmers market, or other direct producer-to-consumer marketing outlet shall submit to the Secretary for approval a plan that includes—

(i) a description of the technology;

(ii) the manner by which the retail food store, farmers market or other direct producer-to-consumer mar-

keting outlet will provide proof of the transaction to households;

(iii) the provision of data to the Secretary, consistent with requirements established by the Secretary, in a manner that allows the Secretary to evaluate the impact of the demonstration on participant access, ease of use, and program integrity; and

(iv) such other criteria as the Secretary may require.

(C) DATE OF COMPLETION.—The demonstration projects under this paragraph shall be completed and final reports submitted to the Secretary by not later than July 1, 2015.

(D) REPORT TO CONGRESS.—The Secretary shall submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that includes a finding, based on the data provided under subparagraph (C) whether or not implementation in all States is in the best interest of the supplemental nutrition assistance program.

* * * * * * *

APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS

SEC. 9. (a)(1) Regulations issued pursuant to this Act shall provide for the submission of applications for approval by retail food stores and wholesale food concerns which desire to be authorized to accept and redeem benefits under the supplemental nutrition assistance program and for the approval of those applicants whose participation will effectuate the purposes of the supplemental nutrition assistance program. In determining the qualifications of applicants, there shall be considered among such other factors as may be appropriate, the following: (A) the nature and extent of the food business conducted by the applicant; (B) the volume of benefit transactions which may reasonably be expected to be conducted by the applicant food store or wholesale food concern**[**; and (C)**]***; (C) whether the applicant is located in an area with significantly limited access to food; and (D)* the business integrity and reputation of the applicant. Approval of an applicant shall be evidenced by the issuance to such applicant of a nontransferable certificate of approval. No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the supplemental nutrition assistance program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.

* * * * * * *

(3) AUTHORIZATION PERIODS.—The Secretary shall establish specific time periods during which authorization to accept and redeem benefits shall be valid under the supplemental nutrition assistance program.

(b)(1) * * *

* * * * * * *

(3) RETAIL FOOD STORES WITH SIGNIFICANT SALES OF EXCLUDED ITEMS.—

(A) IN GENERAL.—No retail food store for which at least 45 percent of the total sales of the retail food store is from the sale of excluded items described in section 3(k)(1) may be authorized to accept and redeem benefits unless the Secretary determines that the participation of the retail food store is required for the effective and efficient operation of the supplemental nutrition assistance program.

(B) APPLICATION.—Subparagraph (A) shall be effective—

(i) in the case of retail food stores applying to be authorized for the 1st time, beginning on the date that is 1 year after the effective date of this paragraph; and

(ii) in the case of retail food stores participating in the program on the effective date of this paragraph, during periodic reauthorization in accordance with subsection (a)(2)(A).

* * * * * * *

(g) EBT SERVICE REQUIREMENT.—An approved retail food store shall provide adequate EBT service as described in section 7(h)(3)(B).

(h) PRIVATE ESTABLISHMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), no private establishment that contracts with a State agency to offer meals at concessional prices as described in paragraphs (3), (4), and (9) of section 3(k) may be authorized to accept and redeem benefits unless the Secretary determines that the participation of the private establishment is required to meet a documented need in accordance with section 11(e)(24).

(2) EXISTING CONTRACTS.—

(A) IN GENERAL.—If, on the day before the effective date of this subsection, a State has entered into a contract with a private establishment described in paragraph (1) and the Secretary has not determined that the participation of the private establishment is necessary to meet a documented need in accordance with section 11(e)(24), the Secretary shall allow the operation of the private establishment to continue without that determination of need for a period not to exceed 180 days from the date on which the Secretary establishes determination criteria, by regulation, under section 11(e)(24).

(B) JUSTIFICATION.—If the Secretary determines to terminate a contract with a private establishment that is in effect on the effective date of this subsection, the Secretary shall provide justification to the State in which the private establishment is located for that termination.

(3) REPORT TO CONGRESS.—Not later than 90 days after September 30, 2013, and 90 days after the last day of each fiscal year thereafter, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the effectiveness of a program under this subsection using any infor-

mation received from States under section 11(e)(24) as well as any other information the Secretary may have relating to the manner in which benefits are used.

SEC. 10. REDEMPTION OF PROGRAM BENEFITS.

Regulations issued pursuant to this Act shall provide for the redemption of benefits accepted by retail food stores through approved wholesale food concerns or through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or which are insured under the Federal Credit Union Act and have retail food stores or wholesale food concerns in their field of membership, with the cooperation of the Treasury Department, except that retail food stores defined in section 3(p)(4) shall be authorized to redeem their members' food benefits prior to receipt by the members of the food so purchased, *agricultural producers who market agricultural products directly to consumers shall be authorized to redeem benefits for the initial cost of the purchase of a community-supported agriculture share,* and publicly operated community mental health centers or private nonprofit organizations or institutions which serve meals to narcotics addicts or alcoholics in drug addiction or alcoholic treatment and rehabilitation programs, public and private nonprofit shelters that prepare and serve meals for battered women and children, and public or private nonprofit group living arrangements that serve meals to disabled or blind residents shall not be authorized to redeem benefits through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the Federal Credit Union Act. Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem benefits through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 7(h) has been implemented. No financial institution may impose on or collect from a retail food store a fee or other charge for the redemption of benefits that are submitted to the financial institution in a manner consistent with the requirements, other than any requirements relating to cancellation of benefits, for the presentation of coupons by financial institutions to the Federal Reserve banks.

SEC. 11. ADMINISTRATION.

(a) * * *

* * * * * * *

(e) The State plan of operation required under subsection (d) of this section shall provide, among such other provisions as may be required by regulation—

(1) * * *

* * * * * * *

(22) the guidelines the State agency uses in carrying out section 6(i); **[**and**]**

(23) if a State elects to carry out a Simplified Supplemental Nutrition Assistance Program under section 26, the plans of the State agency for operating the program, including—

(A) * * *

* * * * * * *

(C) a description of the method by which the State agency will carry out a quality control system under section 16(c)**[.]***; and*

(24) if the State elects to carry out a program to contract with private establishments to offer meals at concessional prices, as described in paragraphs (3), (4), and (9) of section 3(k)—

(A) the plans of the State agency for operating the program, including—

(i) documentation of a need that eligible homeless, elderly, and disabled clients are underserved in a particular geographic area;

(ii) the manner by which the State agency will limit participation to only those private establishments that the State determines necessary to meet the need identified in clause (i); and

(iii) any other conditions the Secretary may prescribe, such as the level of security necessary to ensure that only eligible recipients participate in the program; and

(B) a report by the State agency to the Secretary annually, the schedule of which shall be established by the Secretary, that includes—

(i) the number of households and individual recipients authorized to participate in the program, including any information on whether the individual recipient is elderly, disabled, or homeless; and

(ii) an assessment of whether the program is meeting an established need, as documented under subparagraph (A)(i).

* * * * * * *

[(p) STATE VERIFICATION OPTION.—Notwithstanding any other provision of law, in carrying out the supplemental nutrition assistance program, a State agency shall not be required to use an income and eligibility or an immigration status verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7).**]**

(p) STATE VERIFICATION OPTION.—In carrying out the supplemental nutrition assistance program, a State agency shall be required to use an income and eligibility, or an immigration status, verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7), in accordance with standards set by the Secretary.

* * * * * * *

[(t) GRANTS FOR SIMPLE APPLICATION AND ELIGIBILITY DETERMINATION SYSTEMS AND IMPROVED ACCESS TO BENEFITS.—

[(1) IN GENERAL.—Subject to the availability of appropriations under section 18(a), for each fiscal year, the Secretary shall use not more than $5,000,000 of funds made available

under section 18(a)(1) to make grants to pay 100 percent of the costs of eligible entities approved by the Secretary to carry out projects to develop and implement—

[(A) simple supplemental nutrition assistance program application and eligibility determination systems; or

[(B) measures to improve access to supplemental nutrition assistance program benefits by eligible households.

[(2) TYPES OF PROJECTS.—A project under paragraph (1) may consist of—

[(A) coordinating application and eligibility determination processes, including verification practices, under the supplemental nutrition assistance program and other Federal, State, and local assistance programs;

[(B) establishing methods for applying for benefits and determining eligibility that—

[(i) more extensively use—

[(I) communications by telephone; and

[(II) electronic alternatives such as the Internet; or

[(ii) otherwise improve the administrative infrastructure used in processing applications and determining eligibility;

[(C) developing procedures, training materials, and other resources aimed at reducing barriers to participation and reaching eligible households;

[(D) improving methods for informing and enrolling eligible households; or

[(E) carrying out such other activities as the Secretary determines to be appropriate.

[(3) LIMITATION.—A grant under this subsection shall not be made for the ongoing cost of carrying out any project.

[(4) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this subsection, an entity shall be—

[(A) a State agency administering the supplemental nutrition assistance program;

[(B) a State or local government;

[(C) an agency providing health or welfare services;

[(D) a public health or educational entity; or

[(E) a private nonprofit entity such as a community-based organization, food bank, or other emergency feeding organization.

[(5) SELECTION OF ELIGIBLE ENTITIES.—The Secretary—

[(A) shall develop criteria for the selection of eligible entities to receive grants under this subsection; and

[(B) may give preference to any eligible entity that consists of a partnership between a governmental entity and a nongovernmental entity.]

* * * * * * *

(v) DATA EXCHANGE STANDARDIZATION FOR IMPROVED INTEROPERABILITY.—

(1) DATA EXCHANGE STANDARDS.—

(A) DESIGNATION.—The Secretary, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State perspectives, shall, by rule, designate a data exchange

standard for any category of information required to be reported under this Act.

(B) DATA EXCHANGE STANDARDS MUST BE NONPROPRIETARY AND INTEROPERABLE.—The data exchange standard designated under subparagraph (A) shall, to the extent practicable, be nonproprietary and interoperable.

(C) OTHER REQUIREMENTS.—In designating data exchange standards under this subsection, the Secretary shall, to the extent practicable, incorporate—

(i) interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

(ii) interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

(iii) interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council.

(2) DATA EXCHANGE STANDARDS FOR REPORTING.—

(A) DESIGNATION.—The Secretary, in consultation with an interagency work group established by the Office of Management and Budget, and considering State perspectives, shall, by rule, designate data exchange standards to govern the data reporting required under this part.

(B) REQUIREMENTS.—The data exchange standards required by subparagraph (A) shall, to the extent practicable—

(i) incorporate a widely-accepted, nonproprietary, searchable, computer-readable format;

(ii) be consistent with and implement applicable accounting principles; and

(iii) be capable of being continually upgraded as necessary.

(C) INCORPORATION OF NONPROPRIETARY STANDARDS.—In designating reporting standards under this subsection, the Secretary shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Markup Language.

SEC. 12. CIVIL PENALTIES AND DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

(a) * * *

(b) PERIOD OF DISQUALIFICATION.—Subject to subsection (c), a disqualification under subsection (a) shall be—

(1) * * *

* * * * * * *

(3) permanent upon—

(A) * * *

* * * * * * *

(C) a finding of the sale of firearms, ammunition, explosives, or controlled substance (as defined in section 802 of title 21, United States Code) for coupons, except that the

Secretary shall have the discretion to impose a civil penalty of up to $20,000 for each violation (except that the amount of [civil money penalties] *civil penalties* imposed for violations occurring during a single investigation may not exceed $40,000) in lieu of disqualification under this subparagraph if the Secretary determines that there is substantial evidence (including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation) that the store or food concern had an effective policy and program in effect to prevent violations of this Act; and

* * * * * * *

(g) DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.—

(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this Act of an approved retail food store or a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 [(7 U.S.C. 1786)] *(42 U.S.C. 1786)*.

* * * * * * *

VIOLATIONS AND ENFORCEMENT

SEC. 15. (a) * * *

(b)(1) Subject to the provisions of paragraph (2) of this subsection, whoever knowingly uses, transfers, acquires, alters, or possesses benefits in any manner contrary to this Act or the regulations issued pursuant to this Act shall, if such benefits are of a value of $5,000 or more, be guilty of a felony and shall be fined not more than $250,000 or imprisoned for not more than twenty years, or both, and shall, if such benefits are of a value of $100 or more, but less than $5,000, or if the item used, transferred, acquired, altered, or possessed is [an benefit] *a benefit* that has a value of $100 or more, but less than $5,000, be guilty of a felony and shall, upon the first conviction thereof, be fined not more than $10,000 or imprisoned for not more than five years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than six months nor more than five years and may also be fined not more than $10,000 or, if such benefits are of a value of less than $100, or if the item used, transferred, acquired, altered, or processed is an benefit that has a value of less than $100, shall be guilty of a misdemeanor, and, upon the first conviction thereof, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, and upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than $1,000. In addition to such penalties, any person convicted of a felony or misdemeanor violation under this subsection may be suspended by the court from participation in the supplemental nutrition assistance program for

an additional period of up to eighteen months consecutive to that period of suspension mandated by section 6(b)(1) of this Act.

* * * * * * *

ADMINISTRATIVE COST-SHARING AND QUALITY CONTROL

SEC. 16. (a) Subject to subsection (k), the Secretary is authorized to pay to each State agency an amount equal to 50 per centum of all administrative costs involved in each State agency's operation of the supplemental nutrition assistance program, which costs shall include, but not be limited to, the cost of (1) the certification of applicant households, (2) the acceptance, storage, protection, control, and accounting of benefits after their delivery to receiving points within the State, (3) the issuance of benefits to all eligible households, (4) informational activities relating to the supplemental nutrition assistance program, including those undertaken under section 11(e)(1)(A), but not including recruitment activities, (5) fair hearings, (6) automated data processing and information retrieval systems subject to the conditions set forth in subsection (g), (7) supplemental nutrition assistance program investigations and prosecutions, and (8) implementing and operating the immigration status verification system established under section 1137(d) of the Social Security Act (42 U.S.C. 1320b–7(d)): *Provided,* That the Secretary is authorized at the Secretary's discretion to pay any State agency administering the supplemental nutrition assistance program on all or part of an Indian reservation under section 11(d) of this Act or in a Native village within the State of Alaska identified in section 11(b) of Public Law 92–203[, as amended.] such amounts for administrative costs as the Secretary determines to be necessary for effective operation of the supplemental nutrition assistance program, as well as to permit each State to retain 35 percent of the value of all funds or allotments recovered or collected pursuant to sections 6(b) and 13(c) and 20 percent of the value of any other funds or allotments recovered or collected, except the value of funds or allotments recovered or collected that arise from an error of a State agency. The officials responsible for making determinations of ineligibility under this Act shall not receive or benefit from revenues retained by the State under the provisions of this subsection.

* * * * * * *

[(d) BONUSES FOR STATES THAT DEMONSTRATE HIGH OR MOST IMPROVED PERFORMANCE.—

[(1) FISCAL YEARS 2003 AND 2004.—

[(A) GUIDANCE.—With respect to fiscal years 2003 and 2004, the Secretary shall establish, in guidance issued to State agencies not later than October 1, 2002—

[(i) performance criteria relating to—

[(I) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and

[(II) other indicators of effective administration determined by the Secretary; and

[(ii) standards for high and most improved performance to be used in awarding performance bonus payments under subparagraph (B)(ii).

[(B) PERFORMANCE BONUS PAYMENTS.—With respect to each of fiscal years 2003 and 2004, the Secretary shall—

[(i) measure the performance of each State agency with respect to the criteria established under subparagraph (A)(i); and

[(ii) subject to paragraph (3), award performance bonus payments in the following fiscal year, in a total amount of $48,000,000 for each fiscal year, to State agencies that meet standards for high or most improved performance established by the Secretary under subparagraph (A)(ii).

[(2) FISCAL YEARS 2005 AND THEREAFTER.—

[(A) REGULATIONS.—With respect to fiscal year 2005 and each fiscal year thereafter, the Secretary shall—

[(i) establish, by regulation, performance criteria relating to—

[(I) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and

[(II) other indicators of effective administration determined by the Secretary;

[(ii) establish, by regulation, standards for high and most improved performance to be used in awarding performance bonus payments under subparagraph (B)(ii); and

[(iii) before issuing proposed regulations to carry out clauses (i) and (ii), solicit ideas for performance criteria and standards for high and most improved performance from State agencies and organizations that represent State interests.

[(B) PERFORMANCE BONUS PAYMENTS.—With respect to fiscal year 2005 and each fiscal year thereafter, the Secretary shall—

[(i) measure the performance of each State agency with respect to the criteria established under subparagraph (A)(i); and

[(ii) subject to paragraph (3), award performance bonus payments in the following fiscal year, in a total amount of $48,000,000 for each fiscal year, to State agencies that meet standards for high or most improved performance established by the Secretary under subparagraph (A)(ii).

[(3) PROHIBITION ON RECEIPT OF PERFORMANCE BONUS PAYMENTS.—A State agency shall not be eligible for a performance bonus payment with respect to any fiscal year for which the State agency has a liability amount established under subsection (c)(1)(C).

[(4) PAYMENTS NOT SUBJECT TO JUDICIAL REVIEW.—A determination by the Secretary whether, and in what amount, to award a performance bonus payment under this subsection shall not be subject to administrative or judicial review.]

* * * * * * *

(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—

(1) IN GENERAL.—

(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies, to remain available for 15 months, from funds made available for each fiscal year under section 18(a)(1), [$90,000,000] *$79,000,000* for each fiscal year.

* * * * * * *

[(5) The Secretary shall monitor the employment and training programs carried out by State agencies under section 6(d)(4) to measure their effectiveness in terms of the increase in the numbers of household members who obtain employment and the numbers of such members who retain such employment as a result of their participation in such employment and training programs.]

(5)(A) IN GENERAL.—The Secretary shall monitor the employment and training programs carried out by State agencies under section 6(d)(4) and assess their effectiveness in—

(i) preparing members of households participating in the supplemental nutrition assistance program for employment, including the acquisition of basic skills necessary for employment; and

(ii) increasing the numbers of household members who obtain and retain employment subsequent to their participation in such employment and training programs.

(B) REPORTING MEASURES.—The Secretary, in consultation with the Secretary of Labor, shall develop reporting measures that identify improvements in the skills, training education or work experience of members of households participating in the supplemental nutrition assistance program. Measures shall be based on common measures of performance for federal workforce training programs, so long as they reflect the challenges facing the types of members of households participating in the supplemental nutrition assistance program who participate in a specific employment and training component. The Secretary shall require that each State employment and training plan submitted under section 11(3)(19) identify appropriate reporting measures for each of their proposed components that serve at least 100 people. Such measures may include:

(i) the percentage and number of program participants who received employment and training services and are in unsubsidized employment subsequent to the receipt of those services;

(ii) the percentage and number of program participants who obtain a recognized postsecondary credential, including a registered apprenticeship, or a regular secondary school diploma or its recognized equivalent, while participating in or within 1 year after receiving employment and training services;

(iii) the percentage and number of program participants who are in an education or training program that is intended to lead to a recognized postsecondary credential, including a registered apprenticeship or on-the-job training program, a regular secondary school diploma or its recognized equivalent, or unsubsidized employment;

(iv) subject to the terms and conditions set by the Secretary, measures developed by each State agency to assess the skills acquisition of employment and training program

participants that reflect the goals of their specific employment and training program components, which may include, but are not limited to—

(I) the percentage and number of program participants who are meeting program requirements in each component of the State's education and training program; and

(II) the percentage and number of program participants who are gaining skills likely to lead to employment as measured through testing, quantitative or qualitative assessment or other method; and

(v) other indicators as approved by the Secretary.

(C) STATE REPORT.—Each State agency shall annually prepare and submit to the Secretary a report on the State's employment and training program that includes the numbers of supplemental nutrition assistance program participants who have gained skills, training, work or experience that will increase their ability to obtain regular employment using measures identified in subparagraph (B).

(D) MODIFICATIONS TO THE STATE EMPLOYMENT AND TRAINING PLAN.—Subject to the terms and conditions established by the Secretary, if the Secretary determines that the state agency's performance with respect to employment and training outcomes is inadequate, the Secretary may require the State agency to make modifications to their employment and training plan to improve such outcomes.

(E) PERIODIC EVALUATION.—

(i) IN GENERAL.—Subject to terms and conditions established by the Secretary, not later than October 1, 2015, and not less frequently than once every 5 years thereafter, the Secretary shall conduct a study to review existing practice and research to identify employment and training program components and practices that—

(I) effectively assist members of households participating in the supplemental nutrition assistance program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment, and

(II) are best integrated with statewide workforce development systems.

(ii) REPORT TO CONGRESS.—The Secretary shall submit a report that describes the results of the study under clause (i) to the Committee on Agriculture in the House of Representatives, and the Committee on Agriculture, Nutrition and Forestry in the Senate.

* * * * * * *

RESEARCH, DEMONSTRATION, AND EVALUATIONS

SEC. 17. (a) * * *

* * * * * * *

(l) COOPERATION WITH PROGRAM RESEARCH AND EVALUATION.—States, State agencies, local agencies, institutions, facilities such as data consortiums, and contractors participating in programs authorized under this Act shall cooperate with officials and contrac-

tors acting on behalf of the Secretary in the conduct of evaluations and studies under this Act and shall submit information at such time and in such manner as the Secretary may require.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 18. (a)(1) To carry out this Act, there are authorized to be appropriated such sums as are necessary for each of fiscal years 2008 through ⟦2012⟧ *2017*. Not to exceed one-fourth of 1 per centum of the previous year's appropriation is authorized in each such fiscal year to carry out the provisions of section 17 of this Act, subject to paragraph (3).

* * * * * * *

(e) Funds collected from claims against households or State agencies, including claims collected pursuant to ⟦sections 7(f)⟧ *section 7(f)*, subsections (g) and (h) of section 11, subsections (b) and (c) of section 13, and section 16(c)(1), claims resulting from resolution of audit findings, and claims collected from households receiving overissuances, shall be credited to the supplemental nutrition assistance program appropriation account for the fiscal year in which the collection occurs. Funds provided to State agencies under section 16(c) of this Act shall be paid from the appropriation account for the fiscal year in which the funds are provided.

* * * * * * *

SEC. 19. CONSOLIDATED BLOCK GRANTS FOR PUERTO RICO AND AMERICAN SAMOA.

(a) PAYMENTS TO GOVERNMENTAL ENTITIES.—

(1) * * *

(2) BLOCK GRANTS.—

(A) * * *

(B) PAYMENTS TO COMMONWEALTH OF PUERTO RICO.—

(i) * * *

* * * * * * *

(iii) LIMITATION ON USE OF FUNDS.—None of the funds made available to the Commonwealth of Puerto Rico under this subparagraph may be used to provide nutrition assistance in the form of cash benefits.

* * * * * * *

MINNESOTA FAMILY INVESTMENT PROJECT

SEC. 22. (a) * * *

(b) REQUIRED TERMS AND CONDITIONS OF THE PROJECT.—The application submitted by the State under subsection (a) shall provide an assurance that the Project shall satisfy all of the following requirements:

(1) * * *

* * * * * * *

(10)(A) * * *

(B)(i) Following the standards specified in subparagraph (C), the State shall ensure that benefits under the supplemental nutrition assistance program are provided to participating families in case the Project is terminated or to participating families or family members that are determined ineligible for the

Project because of income, resources, or change in household composition, if such families or individuals are determined eligible for the supplemental nutrition assistance program. [Food benefits] *Benefits* shall be issued to eligible families and individuals described in this clause retroactive to the date of termination from the Project; and

* * * * * * *

SEC. 25. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.

(a) DEFINITIONS.—In this section:

(1) COMMUNITY FOOD PROJECT.—In this section, the term "community food project" means a community-based project that—

(A) * * *

(B) is designed—

(i)(I) * * *

(II) to increase the self-reliance of communities in providing for the food needs of the communities; [and]

(III) to promote comprehensive responses to local food, farm, and nutrition issues; [or] *and*

(IV) to provide incentives for the consumption of fruits and vegetables among low-income individuals; or

* * * * * * *

(b) AUTHORITY TO PROVIDE ASSISTANCE.—

(1) * * *

* * * * * * *

(3) FUNDING.—

(A) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section not less than $10,000,000 for fiscal year 2013 and each fiscal year thereafter. Of the amount made available under this subparagraph for each such fiscal year, $5,000,000 shall be available to carry out subsection (a)(1)(B)(I)(IV).

(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section, the funds transferred under subparagraph (A) without further appropriation.

(C) MAINTENANCE OF FUNDING.—The funding provided under subparagraph (A) shall supplement (and not supplant) other Federal funding made available to the Secretary to carry out this section.

* * * * * * *

SEC. 26. SIMPLIFIED SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

(a) * * *

* * * * * * *

(f) RULES AND PROCEDURES.—

(1) * * *

* * * * * * *

(3) REQUIREMENTS.—In operating a Program, a State or political subdivision shall comply with the requirements of—

(A) * * *

* * * * * * *

(C) [subsection] *subsections* (b) and (d) of section 8;

* * * * * * *

SEC. 27. AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) PURCHASE OF COMMODITIES.—

(1) IN GENERAL.—From amounts made available to carry out this Act, for each of the fiscal years [2008 through 2012] *2012 through 2017*, the Secretary shall purchase a dollar amount described in paragraph (2) of a variety of nutritious and useful commodities of the types that the Secretary has the authority to acquire through the Commodity Credit Corporation or under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c), and distribute the commodities to States for distribution in accordance with section 214 of the Emergency Food Assistance Act of 1983 [(Public Law 98–8; 7 U.S.C. 612c note)] *(7 U.S.C. 7515)*.

(2) AMOUNTS.—The Secretary shall use to carry out paragraph (1)—

[(A) for fiscal year 2008, $190,000,000;

[(B) for fiscal year 2009, $250,000,000; and]

(A) for fiscal year 2012, $260,250,000;

(B) for fiscal year 2013 the dollar amount of commodities specified in subparagraph (A) adjusted by the percentage by which the thrifty food plan has been adjusted under section 3(u)(4) between June 30, 2011 and June 30, 2012, and subsequently increased by $20,000,000;

(C) for each of fiscal years [2010 through 2012, the dollar amount of commodities specified in] *2014 through 2017, the total amount of commodities under* subparagraph (B) adjusted by the percentage by which the thrifty food plan has been adjusted under section 3(u)(4) between June 30, [2008] *2012*, and June 30 of the immediately preceding fiscal year[.]*; and*

(D) for fiscal year 2013 the dollar amount of commodities specified in subparagraph (B), and for each of the fiscal years 2014 through 2017 the respective dollar amount of commodities specified in subparagraph (C), increased by $5,000,000.

* * * * * * *

SEC. 28. NUTRITION EDUCATION AND OBESITY PREVENTION GRANT PROGRAM.

(a) * * *

(b) PROGRAMS.—Consistent with the terms and conditions of grants awarded under this section, State agencies may implement a nutrition education and obesity prevention program for eligible individuals that promotes healthy food choices *and physical activity* consistent with the most recent Dietary Guidelines for Americans

published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341).

* * * * * * *

SEC. 29. RETAILER TRAFFICKING.

(a) PURPOSE.—The purpose of this section is to provide the Department of Agriculture with additional resources to prevent trafficking in violation of this Act by strengthening recipient and retailer program integrity. Additional funds are provided to supplement the Department's payment accuracy, and retailer and recipient integrity activities.

(b) FUNDING.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section not less than $5,000,000 for fiscal year 2013 and each fiscal year thereafter.

(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1) without further appropriation.

(3) MAINTENANCE OF FUNDING.—The funding provided under paragraph (1) shall supplement (and not supplant) other Federal funding for programs carried out under this Act.

* * * * * * *

LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

* * * * * * *

TITLE XXVI—LOW-INCOME HOME ENERGY ASSISTANCE

* * * * * * *

APPLICATIONS AND REQUIREMENTS

SEC. 2605. (a) * * *

* * * * * * *

(f)(1) * * *

(2) For purposes of paragraph (1) of this subsection and for purposes of determining any excess shelter expense deduction under section 5(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e))—

(A) the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses, without regard to whether such payments or allowances are provided directly to, or indirectly for the benefit of, such household*, except that, for purposes of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), such payments or allowances exceed $10 or a higher amount annually, as determined by the Secretary of Agriculture in accord-*

ance with section 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C. 2014(e)(6)(C)(iv)(I)); and

* * * * * * *

EMERGENCY FOOD ASSISTANCE ACT OF 1983

* * * * * * *

TITLE II—EMERGENCY FOOD ASSISTANCE ACT OF 1983

* * * * * * *

SEC. 209. EMERGENCY FOOD PROGRAM INFRASTRUCTURE GRANTS.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2008 through **[**2012**]** *2017*.

* * * * * * *

OLDER AMERICANS ACT OF 1965

* * * * * * *

TITLE V—COMMUNITY SERVICE SENIOR OPPORTUNITIES ACT

* * * * * * *

SEC. 509. EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND [FOOD STAMP PROGRAMS] *SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.*

Funds received by eligible individuals from projects carried out under the program established under this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other individuals, to participate in any housing program for which Federal funds may be available or for any income determination under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

* * * * * * *

TITLE 31 OF THE UNITED STATES CODE

* * * * * * *

SUBTITLE III—FINANCIAL MANAGEMENT

* * * * * * *

CHAPTER 38—ADMINISTRATIVE REMEDIES FOR FALSE CLAIMS AND STATEMENTS

* * * * * * *

§ 3803. Hearing and determinations

(a) * * *

* * * * * * *

SECTION 115 OF THE PERSONAL RESPONSIBILITY AND WORKFORCE INVESTMENT ACT OF 1996

SEC. 115. DENIAL OF ASSISTANCE AND BENEFITS FOR CERTAIN DRUG-RELATED CONVICTIONS.

(a) IN GENERAL.—An individual convicted (under Federal or State law) of any offense which is classified as a felony by the law of the jurisdiction involved and which has as an element the possession, use, or distribution of a controlled substance (as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6))) shall not be eligible for—

(1) * * *

(2) benefits under the food stamp program (as defined in [section 3(l)] *section 3(s)* of the Food Stamp Act of 1977) or any State program carried out under the Food Stamp Act of 1977.

(b) EFFECTS ON ASSISTANCE AND BENEFITS FOR OTHERS.—

(1) * * *

(2) BENEFITS UNDER THE FOOD STAMP ACT OF 1977.—The amount of benefits otherwise required to be provided to a household under the food stamp program (as defined in [section 3(l)] *section 3(s)* of the Food Stamp Act of 1977), or any State program carried out under the Food Stamp Act of 1977, shall be determined by considering the individual to whom subsection (a) applies not to be a member of such household, except that the income and resources of the individual shall be considered to be income and resources of the household.

* * * * * * *

AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

* * * * * * *

COMMODITY DISTRIBUTION PROGRAM

SEC. 4. (a) Notwithstanding any other provision of law, the Secretary may, during fiscal years 2008 through [2012] *2017*, purchase and distribute sufficient agricultural commodities with funds appropriated from the general fund of the Treasury to maintain the traditional level of assistance for food assistance programs as are authorized by law, including but not limited to distribution to institutions (including hospitals and facilities caring for needy infants and children), supplemental feeding programs serving women, infants, and children or elderly persons, or both, wherever located, disaster areas, summer camps for children, the United States Trust Territory of the Pacific Islands, and Indians, whenever a tribal organization requests distribution of federally donated foods pursuant to section 4(b) of the [Food Stamp Act of 1977] *Food and Nu-*

trition Act of 2008 (section 2013(b) of this title). In providing for commodity distribution to Indians, the Secretary shall improve the variety and quantity of commodities supplied to Indians in order to provide them an opportunity to obtain a more nutritious diet.

* * * * * * *

COMMODITY SUPPLEMENTAL FOOD PROGRAM

SEC. 5. (a) GRANTS PER ASSIGNED CASELOAD SLOT.—

(1) IN GENERAL.—In carrying out the program under section 4 (referred to in this section as the "commodity supplemental food program"), for each of fiscal years 2008 through ⟦2012⟧ *2017*, the Secretary shall provide to each State agency from funds made available to carry out that section (including any such funds remaining available from the preceding fiscal year), a grant per assigned caseload slot for administrative costs incurred by the State agency and local agencies in the State in operating the commodity supplemental food program.

(2) AMOUNT OF GRANTS.—

(A) * * *

(B) SUBSEQUENT FISCAL YEARS.—For each of fiscal years 2004 through ⟦2012⟧ *2017*, the amount of each grant per assigned caseload slot shall be equal to the amount of the grant per assigned caseload slot for the preceding fiscal year, adjusted by the percentage change between—

(i) * * *

* * * * * * *

(d)(1) * * *

(2) Notwithstanding any other provision of law, the Commodity Credit Corporation shall, to the extent that the Commodity Credit Corporation inventory levels permit, provide not less than 9,000,000 pounds of cheese and not less than 4,000,000 pounds of nonfat dry milk in each of fiscal years 2008 through ⟦2012⟧ *2017* to the Secretary of Agriculture. The Secretary shall use such amounts of cheese and nonfat dry milk to carry out the commodity supplemental food program before the end of each fiscal year.

* * * * * * *

⟦(g) PROHIBITION.—Notwithstanding any other provision of law (including regulations), the Secretary may not require a State or local agency to prioritize assistance to a particular group of individuals that are—

⟦(1) low-income persons aged 60 and older; or

⟦(2) women, infants, and children.⟧

(g) ELIGIBILITY.—Except as provided in subsection (m), the States shall only provide assistance under the commodity supplemental food program to low-income individuals aged 60 and older.

* * * * * * *

(i) Each State agency administering a commodity supplemental food program serving elderly persons shall ensure that written information is provided on at least one occasion to each elderly participant in or applicant for the commodity supplemental food program for the elderly concerning—

(1) food stamps provided under the [Food Stamp Act of 1977] *Food and Nutrition Act of 2008* (7 U.S.C. 2011 et seq.);

* * * * * * *

(l) USE OF APPROVED FOOD SAFETY TECHNOLOGY.—

(1) * * *

(2) PROGRAMS.—A program referred to in paragraph (1) is a program authorized under—

(A) * * *

(B) the [Food Stamp Act of 1977] *Food and Nutrition Act of 2008* (7 U.S.C. 2011 et seq.);

* * * * * * *

(m) PHASE-OUT.—Notwithstanding any other provision of law, an individual who receives assistance under the commodity supplemental food program on the day before the effective date of this subsection shall continue to receive that assistance until the date on which the individual no longer qualifies for assistance under the eligibility criteria for the program in effect on the day before the effective date of this subsection.

SOCIAL SECURITY ACT

* * * * * * *

TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

* * * * * * *

PART D—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

* * * * * * *

FEDERAL PARENT LOCATOR SERVICE

SEC. 453. (a) * * *

* * * * * * *

(j) INFORMATION COMPARISONS AND OTHER DISCLOSURES.—

(1) * * *

* * * * * * *

(10) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF [FOOD STAMP] *SUPPLEMENTAL NUTRITION ASSISTANCE* PROGRAMS.—

(A) * * *

* * * * * * *

TITLE XI—GENERAL PROVISIONS, PEER REVIEW, AND ADMINISTRATIVE SIMPLIFICATION

PART A—GENERAL PROVISIONS

* * * * * * *

INCOME AND ELIGIBILITY VERIFICATION SYSTEM

SEC. 1137. (a) In order to meet the requirements of this section, a State must have in effect an income and eligibility verification system which meets the requirements of subsection (d) and under which—

(1) * * *

* * * * * * *

(5) adequate safeguards are in effect so as to assure that—

(A) * * *

(B) the information is adequately protected against unauthorized disclosure for other purposes, as provided in regulations established by the Secretary of Health and Human Services, or, in the case of the unemployment compensation program, the Secretary of Labor, or, in the case of the [food stamp] *supplemental nutrition assistance* program, the Secretary of Agriculture, or in the case of information released pursuant to section 6103(l) of the Internal Revenue Code of 1954, the Secretary of the Treasury;

* * * * * * *

(b) The programs which must participate in the income and eligibility verification system are—

(1) * * *

* * * * * * *

(4) the [food stamp program under the Food Stamp Act of 1977] *supplemental nutrition assistance program under the Food and Nutrition Act of 2008*; and

* * * * * * *

TITLE XVI—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

* * * * * * *

PART B—PROCEDURAL AND GENERAL PROVISIONS

PAYMENTS AND PROCEDURES

Payment of Benefits

SEC. 1631. (a) * * *

* * * * * * *

CONCURRENT SSI AND [FOOD STAMP] *SUPPLEMENTAL NUTRITION ASSISTANCE* APPLICATIONS BY INSTITUTIONALIZED INDIVIDUALS

(n) The Commissioner of Social Security and the Secretary of Agriculture shall develop a procedure under which an individual who applies for supplemental security income benefits under this title shall also be permitted to apply at the same time for participation in the supplemental nutrition assistance program authorized under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

* * * * * * *

AGRICULTURE AND FOOD ACT OF 1981

DISTRIBUTION OF SURPLUS COMMODITIES; SPECIAL NUTRITION PROJECTS

SEC. 1114. (a)(1) * * *

(2)(A) For each of fiscal years 2008 through [2012] *2017*, whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary of Agriculture, the Secretary shall encourage consumption of such commodity through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies. The expense of reprocessing shall be paid by such eligible recipient agencies.

* * * * * * *

COMMODITY DISTRIBUTION REFORM ACT AND WIC AMENDMENTS OF 1987

* * * * * * *

SEC. 3. COMMODITY DISTRIBUTION PROGRAM REFORMS.

(a) COMMODITIES SPECIFICATIONS.—

(1) * * *

(2) APPLICABILITY.—Paragraph (1) shall apply to—

(A) * * *

[(B) the program established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));]

(B) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));

* * * * * * *

(3) ADVISORY COUNCIL.—(A) * * *

* * * * * * *

(D) The council shall report annually to the Secretary of Agriculture, [the Committee on Education and Labor] *the Committee on Education and the Workforce* and the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

* * * * * * *

(b) DUTIES OF SECRETARY WITH RESPECT TO PROVISION OF COMMODITIES.—With respect to the provision of commodities to recipient agencies, the Secretary shall—

(1) before the end of the 270-day period beginning on the date of the enactment of this Act [Jan. 8, 1988]—

(A) implement a system to provide recipient agencies with options with respect to package sizes and forms of such commodities, based on information received from such agencies under subsection (f)(2), taking into account the duty of the Secretary—

(i) * * *

(ii) to purchase surplus agriculture commodities through [section 32 of the Agricultural Adjustment

Act (7 U.S.C. 601 et seq.)] *section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)*; and

* * * * * * *

(e) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall provide by regulation for—

(A) * * *

* * * * * * *

(D) delivery schedules for the distribution of commodities and products that are consistent with the needs of eligible recipient agencies, taking into account the duty of the Secretary—

(i) * * *

* * * * * * *

(iii) to make direct purchases of agricultural commodities and other foods for distribution to recipient agencies under—

(I) * * *

[(II) the program established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and]

(II) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));

* * * * * * *

(k) REPORT.—Not later than January 1, 1989, the Secretary shall submit to [the Committee on Education and Labor] *the Committee on Education and the Workforce* and the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the implementation and operation of this section.

* * * * * * *

SEC. 17. [COMMODITY DONATIONS] *COMMODITY DONATIONS AND PROCESSING.*

(a) * * *

* * * * * * *

(c) PROCESSING.—For any program included in subsection (b), the Secretary may, notwithstanding any other provision of State or Federal law relating to the procurement of goods and services—

(1) retain title to commodities delivered to a processor, on behalf of a State (including a State distributing agency and a recipient agency), until such time as end products containing such commodities, or similar commodities as approved by the Secretary, are delivered to a State distributing agency or to a recipient agency; and

(2) promulgate regulations to ensure accountability for commodities provided to a processor for processing into end products, and to facilitate processing of commodities into end products for use by recipient agencies. Such regulations may provide that—

(A) a processor that receives commodities for processing into end products, or provides a service with respect to such

commodities or end products, in accordance with its agreement with a State distributing agency or a recipient agency, provide to the Secretary a bond or other means of financial assurance to protect the value of such commodities; and

(B) in the event a processor fails to deliver to a State distributing agency or a recipient agency an end product in conformance with the processing agreement entered into under this Act, the Secretary take action with respect to the bond or other means of financial assurance pursuant to regulations promulgated under this paragraph and distribute any proceeds obtained by the Secretary to one or more State distributing agencies and recipient agencies as determined appropriate by the Secretary.

SEC. 18. DEFINITIONS.

For purposes of this Act:

[(1) The term "donated commodities" means agricultural commodities and their products that are donated by the Secretary to recipient agencies.

[(2) The term "entitlement commodities" means agricultural commodities and their products that are donated and charged by the Secretary against entitlements established under programs authorized by statute to receive such commodities.]

(1) The term "commodities" means agricultural commodities and their products that are donated by the Secretary for use by recipient agencies.

(2) The term "end product" means a food product that contains processed commodities.

RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

* * * * * * *

SEC. 19. [FRESH] FRUIT AND VEGETABLE PROGRAM.

(a) IN GENERAL.—For the school year beginning July 2008 and each subsequent school year, the Secretary shall provide grants to States to carry out a program to make free [fresh] fruits and vegetables available in elementary schools (referred to in this section as the "program").

(b) PROGRAM.—A school participating in the program shall make free [fresh] fruits and vegetables available to students throughout the school day (or at such other times as are considered appropriate by the Secretary) in 1 or more areas designated by the school.

* * * * * * *

(e) NOTICE OF AVAILABILITY.—If selected to participate in the program, a school shall widely publicize within the school the availability of free [fresh] fruits and vegetables under the program.

* * * * * * *

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

* * * * * * *

TITLE III—AGRICULTURAL CREDIT

* * * * * * *

SUBTITLE A—REAL ESTATE LOANS

* * * * * * *

SEC. 302. PERSONS ELIGIBLE FOR REAL ESTATE LOANS.

[(a) IN GENERAL.—The]

(a) IN GENERAL.—

(1) ELIGIBILITY REQUIREMENTS.—The Secretary may make and insure loans under this subtitle to farmers and ranchers in the United States, and to farm cooperatives and private domestic corporations, partnerships, joint operations, trusts, and limited liability companies*, and such other legal entities as the Secretary deems appropriate,* that are controlled by farmers and ranchers and engaged primarily and directly in farming or ranching in the United States, subject to the conditions specified in this section. To be eligible for such loans, applicants who are individuals, or, in the case of cooperatives, corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities*, individuals holding a majority interest in such entity, must [(1)] *(A)* be citizens of the United States, [(2)] *(B)* for direct loans only, have either training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, taking into consideration all farming experience of the applicant, without regard to any lapse between farming experiences, [(3)] *(C)* be or will become owner-operators of not larger than family farms (or in the case of cooperatives, corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities* in which a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary, such individuals must be or will become either owners or operators of not larger than a family farm and at least one such individual must be or will become an operator of not larger than a family farm or, in the case of holders of the entire interest who are related by blood or marriage and all of whom are or will become farm operators, the ownership interest of each such holder separately constitutes not larger than a family farm, even if their interests collectively constitute larger than a family farm, as defined by the Secretary), and [(4)] *(D)* be unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time. In addition to the foregoing requirements of this section, in the case of corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities*, the family farm requirement of clause [(3)] *(C)* of the preceding sentence shall apply as well to the farm or farms in which the entity has an ownership and operator interest and the requirement of clause [(4)] *(D)* of the preceding sentence

shall apply as well to the entity in the case of cooperatives, corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities*.

(2) SPECIAL DEEMING RULES.—

(A) ELIGIBILITY OF CERTAIN OPERATING-ONLY ENTITIES.—An entity that is or will become only the operator of a family farm is deemed to meet the owner-operator requirements of paragraph (1) if the individuals that are the owners of the family farm own more than 50 percent (or such other percentage as the Secretary determines is appropriate) of the entity.

(B) ELIGIBILITY OF CERTAIN EMBEDDED ENTITIES.—An entity that is an owner-operator described in paragraph (1), or an operator described in subparagraph (A) of this paragraph that is owned, in whole or in part, by other entities, is deemed to meet the direct ownership requirement imposed under paragraph (1) if at least 75 percent of the ownership interests of each embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.

(b) DIRECT LOANS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary may make a direct loan under this subtitle only to a farmer or rancher who has participated in the business operations of a farm or ranch for not less than 3 years *or has other acceptable experience for a period of time, as determined by the Secretary,* and—

(A) * * *

* * * * * * *

SEC. 304. CONSERVATION LOAN AND LOAN GUARANTEE PROGRAM.

(a) * * *

* * * * * * *

(c) ELIGIBILITY.—

(1) IN GENERAL.—The Secretary may make or guarantee loans to farmers or ranchers in the United States, farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, or limited liability companies*, or such other legal entities as the Secretary deems appropriate,* that are controlled by farmers or ranchers and engaged primarily and directly in agricultural production in the United States.

(2) REQUIREMENTS.—To be eligible for a loan under this section, applicants shall meet the requirements in [paragraphs (1) and (2) of section 302(a)] *clauses (A) and (B) of section 302(a)(1)*.

* * * * * * *

(e) LIMITATIONS APPLICABLE TO LOAN GUARANTEES.—The portion of a loan that the Secretary may guarantee under this section shall be [75 percent] *90 percent* of the principal amount of the loan.

* * * * * * *

(h) AUTHORIZATION OF APPROPRIATIONS.—For each of fiscal years 2008 through [2012] *2017*, there are authorized to be appropriated

to the Secretary such funds as are necessary to carry out this section.

* * * * * * *

SEC. 306. (a)(1) * * *

(2) WATER, WASTE DISPOSAL, AND WASTEWATER FACILITY GRANTS.—

(A) * * *

(B) REVOLVING FUNDS FOR FINANCING WATER AND WASTEWATER PROJECTS.—

(i) * * *

* * * * * * *

(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph [$30,000,000 for each of fiscal years 2008 through 2012] *$15,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

(11) RURAL BUSINESS OPPORTUNITY GRANTS.—

(A) * * *

* * * * * * *

(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph [$15,000,000 for each of fiscal years 2008 through 2012] *$15,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

(19) COMMUNITY FACILITIES GRANT PROGRAM.—

(A) * * *

* * * * * * *

[(C) RESERVATION OF FUNDS FOR CHILD DAY CARE FACILITIES.—

[(i) IN GENERAL.—For each fiscal year, not less than 10 percent of the funds made available to carry out this paragraph shall be reserved for grants to pay the Federal share of the cost of developing and constructing day care facilities for children in rural areas.

[(ii) RELEASE.—Funds reserved under clause (i) for a fiscal year shall be reserved only until June 1 of the fiscal year.]

* * * * * * *

[(22) RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.—

[(A) IN GENERAL.—The Secretary shall establish a national rural water and wastewater circuit rider program that is based on the rural water circuit rider program of the National Rural Water Association that (as of the date of enactment of this paragraph) receives funding from the Secretary, acting through the Rural Utilities Service.

[(B) RELATIONSHIP TO EXISTING PROGRAM.—The program established under subparagraph (A) shall not affect the authority of the Secretary to carry out the circuit rider program for which funds are made available under the

heading "RURAL COMMUNITY ADVANCEMENT PROGRAM" in title III of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (115 Stat. 719).

[(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $25,000,000 for fiscal year 2008 and each fiscal year thereafter.]

(22) RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.—

(A) IN GENERAL.—The Secretary shall continue a national rural water and wastewater circuit rider program that—

(i) is consistent with the activities and results of the program conducted before the date of enactment of this paragraph, as determined by the Secretary; and

(ii) receives funding from the Secretary, acting through the Rural Utilities Service.

(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $20,000,000 for fiscal year 2013 and each fiscal year thereafter.

* * * * * * *

(25) TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.—

(A) * * *

* * * * * * *

(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph [$10,000,000 for each of fiscal years 2008 through 2012] *$5,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

SEC. 306A. EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

(a) * * *

* * * * * * *

(i) FUNDING.—

(1) * * *

(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds made available under paragraph (1), there is authorized to be appropriated to carry out this section [$35,000,000 for each of fiscal years 2008 through 2012] *$27,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

SEC. 306E. GRANTS TO NONPROFIT ORGANIZATIONS TO FINANCE THE CONSTRUCTION, REFURBISHING, AND SERVICING OF INDIVIDUALLY-OWNED HOUSEHOLD WATER WELL SYSTEMS IN RURAL AREAS FOR INDIVIDUALS WITH LOW OR MODERATE INCOMES.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section [$10,000,000 for each of fiscal years 2008 through 2012] *$5,000,000 for each of fiscal years 2013 through 2017.*

SEC. 307. (a) * * *

* * * * * * *

[(d) With respect to a farm ownership loan made after the date of the enactment of this subsection, unless appraised values of the rights to oil, gas, or other minerals are specifically included as part of the appraised value of collateral securing the loan, the rights to oil, gas, or other minerals located under the property shall not be considered part of the collateral securing the loan. Nothing in this subsection shall prevent the inclusion of, as part of the collateral securing the loan, any payment or other compensation the borrower may receive for damages to the surface of the collateral real estate resulting from the exploration for or recovery of minerals.]

[(e)] *(d)* The Secretary may not—

(1) * * *

* * * * * * *

SEC. 310B. ASSISTANCE FOR RURAL ENTITIES.

(a) LOANS TO PRIVATE BUSINESS ENTERPRISES.—

(1) * * *

(2) LOAN PURPOSES.—The Secretary may make and insure loans to public, private, or cooperative organizations organized for profit or nonprofit and private investment funds that invest primarily in cooperative organizations, to Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, or to individuals for the purposes of—

(A) improving, developing, or financing business, industry, and employment *including working capital* and improving the economic and environmental climate in rural communities, including pollution abatement and control;

* * * * * * *

(e) RURAL COOPERATIVE DEVELOPMENT GRANTS.—

(1) * * *

* * * * * * *

(12) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection [$50,000,000 for each of fiscal years 2008 through 2012] *$40,000,000 for each of fiscal years 2013 through 2017.*

* * * * * * *

(g) BUSINESS AND INDUSTRY DIRECT AND GUARANTEED LOANS.—

(1) * * *

* * * * * * *

(7) INTANGIBLE ASSETS.—In determining whether a cooperative organization is eligible for a guaranteed business and industry loan, the Secretary may consider the market value of a properly appraised brand name, patent, or trademark of the cooperative. *In the discretion of the Secretary, if the Secretary determines that the action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal*

Government, the Secretary may take account receivables as security for the obligations entered into in connection with loans and a borrower may use account receivables as collateral to secure a loan made or guaranteed under this subsection.

* * * * * * *

(9) LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCTS.—

(A) * * *

(B) LOAN AND LOAN GUARANTEE PROGRAM.—

(i) * * *

* * * * * * *

(v) RESERVATION OF FUNDS.—

(I) IN GENERAL.—For each of fiscal years 2008 through [2012] *2017*, the Secretary shall reserve not less than 5 percent *and not more than 7 percent* of the funds made available to carry out this subsection to carry out this subparagraph.

* * * * * * *

SEC. 310D. (a) The Secretary is authorized to make and insure loans for any of the purposes referred to in section 303(a), or paragraphs (1) through (5) of section 304(a), to farmers and ranchers in the United States who (1) are citizens of the United States, (2) meet the requirements of paragraphs (2) through (4) of section 302, (3) are unable to obtain sufficient credit under section 302 to finance their actual needs, (4) are owners or operators of small or family farms (including new owners or operators), (5) are farmers or ranchers with a low income, and (6) demonstrate a need to maximize their income from farming or ranching operations. The Secretary is also authorized to make such loans to any farm cooperative or private domestic corporation or partnership*, or such other legal entities as the Secretary deems appropriate,* that is controlled by farmers and ranchers and engaged primarily and directly in farming or ranching in the United States if all of its members, stockholders, [or partners] *partners, or owners*, as applicable, are citizens of the United States and the entity and all such members, stockholders, [or partners] *partners, or owners* meet the requirements of paragraphs (2) through (6) of the preceding sentence.

* * * * * * *

SEC. 310E. DOWN PAYMENT LOAN PROGRAM.

(a) * * *

(b) LOAN TERMS.—

(1) PRINCIPAL.—Each loan made under this section shall be in an amount that does not exceed 45 percent of the least of—

(A) * * *

* * * * * * *

(C) [$500,000] *$667,000*.

* * * * * * *

[(2) INTEREST RATE.—The interest rate on any loan made by the Secretary under this section shall be 4 percent.]

* * * * * * *

SEC. 310H. INTERMEDIARY RELENDING PROGRAM.

(a) IN GENERAL.—The Secretary shall make loans to the entities, for the purposes, and subject to the terms and conditions specified in the 1st, 2nd, and last sentences of section 623(a) of the Community Economic Development Act of 1981 (42 U.S.C. 9812(a)).

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For loans under subsection (a), there are authorized to be appropriated to the Secretary not more than $10,000,000 for each of fiscal years 2013 through 2017.

SUBTITLE B—OPERATING LOANS

SEC. 311. PERSONS ELIGIBLE FOR LOANS.

[(a) IN GENERAL.—The]

(a) IN GENERAL.—

(1) ELIGIBILITY REQUIREMENTS.—The Secretary may make and insure loans under this subtitle to farmers and ranchers in the United States, and to farm cooperatives and private domestic corporations, partnerships, joint operations, trusts, and limited liability companies*, and such other legal entities as the Secretary deems appropriate,* that are controlled by farmers and ranchers and engaged primarily and directly in farming or ranching in the United States, subject to the conditions specified in this section. To be eligible for such loans, applicants who are individuals, or, in the case of cooperatives, corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities*, individuals holding a majority interest in such entity, must [(1)] *(A)* be citizens of the United States, [(2)] *(B)* for direct loans only, have either training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, taking into consideration all farming experience of the applicant, without regard to any lapse between farming experiences, [(3)] *(C)* be or will become operators of not larger than family farms (or in the case of cooperatives, corporations, partnerships, joint operations, trusts, [and limited liability companies] *limited liability companies, and such other legal entities* in which a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary, such individuals must be or will become either owners or operators of not larger than a family farm and at least one such individual must be or will become an operator of not larger than a family farm or, in the case of holders of the entire interest who are related by blood or marriage and all of whom are or will become farm operators, the ownership interest of each such holder separately constitutes not larger than a family farm, even if their interests collectively constitute larger than a family farm, as defined by the Secretary), and [(4)] *(D)* be unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time. In addition to the foregoing requirements of this subsection, in the case of corporations, partnerships, joint operations, trusts, [and limited liability companies] *lim-*

ited liability companies, and such other legal entities, the family farm requirement of clause ⟦(3)⟧ *(C)* of the preceding sentence shall apply as well to the farm or farms in which the entity has an operator interest and the requirement of clause ⟦(4)⟧ *(D)* of the preceding sentence shall apply as well to the entity in the case of cooperatives, corporations, partnerships, joint operations, trusts, ⟦and limited liability companies⟧ *limited liability companies, and such other legal entities*.

(2) SPECIAL DEEMING RULE.—An entity that is an operator described in paragraph (1) that is owned, in whole or in part, by other entities, is deemed to meet the direct ownership requirement imposed under paragraph (1) if at least 75 percent of the ownership interests of each embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.

(b)(1) Loans may also be made under this subtitle without regard to the requirements of clauses (2) and (3) of subsection (a) to youths ⟦who are rural residents⟧ to enable them to operate enterprises in connection with their participation in 4–H Clubs, Future Farmers of America, and similar organizations.

* * * * * * *

(5) The Secretary may, on a case by case basis, waive the personal liability of a borrower for a loan made under this subsection if any default on the loan was due to circumstances beyond the control of the borrower.

(c) DIRECT LOANS.—

(1) * * *

⟦(2) YOUTH LOANS.—In this subsection, the term "direct operating loan" shall not include a loan made to a youth under subsection (b).⟧

(2) EXCEPTIONS.—In this subsection, the term "direct operating loan" shall not include—

(A) a loan made to a youth under subsection (b); or

(B) a microloan made to a young beginning farmer or rancher or a military veteran farmer, as defined by the Secretary.

* * * * * * *

SEC. 312. PURPOSES OF LOANS.

(a) IN GENERAL.—A direct loan *(including a microloan, as defined by the Secretary)* may be made under this subtitle only for—

(1) * * *

* * * * * * *

SEC. 313. LIMITATIONS ON AMOUNT OF OPERATING LOANS.

(a) * * *

* * * * * * *

(c) MICROLOANS.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may establish a program to make or guarantee microloans.

(2) LIMITATION.—The Secretary shall not make or guarantee a microloan under this subsection that exceeds $35,000 or that would cause the total principal indebtedness outstanding at any

1 time for microloans made under this chapter to any 1 borrower to exceed $70,000.

(3) APPLICATIONS.—To the maximum extent practicable, the Secretary shall limit the administrative burdens and streamline the application and approval process for microloans under this subsection.

(4) COOPERATIVE LENDING PROJECTS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may contract with community-based and nongovernmental organizations, State entities, or other intermediaries, as the Secretary determines appropriate—

(i) to make or guarantee a microloan under this subsection; and

(ii) to provide business, financial, marketing, and credit management services to borrowers.

(B) REQUIREMENTS.—Before contracting with an entity described in subparagraph (A), the Secretary—

(i) shall review and approve—

(I) the loan loss reserve fund for microloans established by the entity; and

(II) the underwriting standards for microloans of the entity; and

(ii) establish such other requirements for contracting with the entity as the Secretary determines necessary.

* * * * * * *

SEC. 316. (a)(1) * * *

(2) The interest rate on *a microloan to a beginning farmer or rancher or military veteran farmer or* any loan (other than a guaranteed loan) to a low income, limited resource borrower under this subtitle shall not be—

(A) * * *

* * * * * * *

SUBTITLE C—EMERGENCY LOANS

SEC. 321. (a) The Secretary shall make and insure loans under this subtitle only to the extent and in such amounts as provided in advance in appropriation Acts to (1) established farmers or ranchers (including equine farmers or ranchers), or persons engaged in aquaculture, who are citizens of the United States and who are ❚owner-operators (in the case of loans for a purpose under subtitle A) or operators (in the case of loans for a purpose under subtitle B)❚ *(in the case of farm ownership loans in accordance with subtitle A) owner-operators or operators, or (in the case of loans for a purpose under subtitle B) operators* of not larger than family farms, and (2) farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, or limited liability companies, *or such other legal entities as the Secretary deems appropriate* (A) that are engaged primarily in farming or ranching (including equine farming or ranching) or aquaculture, and (B) in which a majority interest is held by individuals who are citizens of the United States and who are ❚owner-operators (in the case of loans for a purpose under subtitle A) or operators (in the case of loans for a purpose under subtitle B)❚ *(in the case of farm ownership loans in accordance with subtitle A) owner-operators or operators, or (in the*

case of loans for a purpose under subtitle B) operators of not larger than family farms (or in the case of such cooperatives, corporations, partnerships, joint operations, trusts, or limited liability companies*, or other legal entities* in which a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary, such individuals must be either owners or operators of not larger than a family farm and at least one such individual must be an operator of not larger than a family farm), where the Secretary finds that the applicants' farming, ranching, or aquaculture operations have been substantially affected by a quarantine imposed by the Secretary under the Plant Protection Act or the animal quarantine laws (as defined in section 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990), a natural disaster in the United States, or a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided,* That they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan and are not able to obtain sufficient credit elsewhere. In addition to the foregoing requirements of this subsection, in the case of farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, [and limited liability companies,] *limited liability companies, and such other legal entities* the family farm requirement of the preceding sentence shall apply as well to all farms in which the entity has an [ownership and operator] *ownership or operator* interest (in the case of loans for a purpose under subtitle A) or an operator interest (in the case of loans for a purpose under subtitle B). The Secretary shall accept applications from, and make or insure loans pursuant to the requirements of this subtitle to, applicants, otherwise eligible under this subtitle, that conduct farming, ranching, or aquaculture operations in any county contiguous to a county where the Secretary has found that farming, ranching, or aquaculture operations have been substantially affected by a quarantine imposed by the Secretary under the Plant Protection Act or the animal quarantine laws (as defined in section 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990), a natural disaster in the United States, or a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). The Secretary shall accept applications for assistance under this subtitle from persons affected by such a quarantine or natural disaster at any time during the eight-month period beginning (A) on the date on which the Secretary determines that farming, ranching, or aquaculture operations have been substantially affected by such quarantine or natural disaster or (B) on the date the President makes the major disaster or emergency designation with respect to such natural disaster, as the case may be. *An entity that is an owner-operator or operator described in this subsection is deemed to meet the direct ownership requirement imposed under this subsection if at least 75 percent of the ownership interests of each embedded entity of such entity is owned directly or indirectly by the individuals that own the family farm.*

* * * * * * *

SUBTITLE D—ADMINISTRATIVE PROVISIONS

* * * * * * *

SEC. 333A. (a) * * *

* * * * * * *

(h) SIMPLIFIED APPLICATION FORMS.—Except as provided in subsection (g)(2) of this section, the Secretary shall, to the maximum extent practicable, develop a simplified application process, including a single page application where possible, for grants and relending authorized under sections 306, 306C, 306D, 306E, 310B(b), 310B(c), 310B(e), 310B(f), 310H, 379B, and 379E.

SEC. 333B. BEGINNING FARMER AND RANCHER INDIVIDUAL DEVELOPMENT ACCOUNTS PILOT PROGRAM.

(a) * * *

* * * * * * *

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through ⟦2012⟧ *2017*.

* * * * * * *

SEC. 343. (a) As used in this title:

(1) * * *

* * * * * * *

(11) The term "qualified beginning farmer or rancher" means an applicant, regardless of whether the applicant is participating in a program under section 310E—

(A) * * *

* * * * * * *

(C) in the case of a cooperative, corporation, partnership, or joint operation, *or such other legal entity as the Secretary deems appropriate,* who has members, stockholders, partners, ⟦or joint operators⟧ *joint operators, or owners* who are all related to one another by blood or marriage;

(D)(i) in the case of an owner and operator of a farm or ranch, who—

(I) * * *

(II)(aa) in the case of a loan made to a cooperative, corporation, partnership, or joint operation, *or such other legal entity,* has members, stockholders, partners, ⟦or joint operators⟧ *joint operators, or owners*, materially and substantially participate in the operation of the farm or ranch; and

* * * * * * *

(ii) in the case of an applicant seeking to own and operate a farm or ranch, who—

(I) * * *

(II)(aa) in the case of a loan made to a cooperative, corporation, partnership, or joint operation, *or such other legal entity,* will have members, stockholders, partners, ⟦or joint operators⟧ *joint operators, or owners*, materially and substantially participate in the operation of the farm or ranch; and

* * * * * * *

(F) who does not own land or who, directly or through interests in family farm corporations, owns land, the aggregate acreage of which does not exceed 30 percent of the [median acreage] *average acreage* of the farms or ranches, as the case may be, in the county in which the farm or ranch operations of the applicant are located, as reported in the most recent census of agriculture, except that this subparagraph shall not apply to a loan made or guaranteed under subtitle B; and

* * * * * * *

SEC. 346. (a) * * *

(b) AUTHORIZATION FOR LOANS.—

(1) IN GENERAL.—The Secretary may make or guarantee loans under subtitles A and B from the Agricultural Credit Insurance Fund provided for in section 309 for not more than $4,226,000,000 for each of fiscal years 2008 through [2012] *2017*, of which, for each fiscal year—

(A) * * *

* * * * * * *

(2) BEGINNING FARMERS AND RANCHERS.—

(A) DIRECT LOANS.—

(i) FARM OWNERSHIP LOANS.—

(I) * * *

* * * * * * *

(III) PRIORITY.—In order to maximize the number of borrowers served under this clause, the Secretary—

(aa) shall give priority to applicants who apply under the down payment loan program under section 310E or joint financing arrangements under section 307(a)(3)(D); and

(bb) may offer other financing options under this subtitle to applicants only if the Secretary determines that down payment or other participation loan options are not a viable approach for the applicants.

(ii) OPERATING LOANS.—Of the amounts made available under paragraph (1) for direct operating loans, the Secretary shall reserve for qualified beginning farmers and ranchers—

(I) * * *

* * * * * * *

(III) for each of fiscal years 2008 through [2012] *2017*, an amount that is not less than 50 percent [of the total amount].

* * * * * * *

SEC. 359. BORROWER TRAINING.

(a) * * *

* * * * * * *

(c) ELIGIBILITY FOR LOANS.—

(1) * * *

(2) LOAN CONDITIONS.—The need of a borrower who satisfies the criteria set out in [section 302(a)(2) or 311(a)(2)] *section 302(a)(1)(B) or 311(a)(1)(B)* for management assistance under this section shall not be cause for denial of eligibility of the borrower for a direct loan under this title.

* * * * * * *

SEC. 375. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.

(a) * * *

* * * * * * *

(e) REVOLVING FUND.—

(1) * * *

* * * * * * *

(6) FUNDING.—

(A) * * *

* * * * * * *

(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $10,000,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

SEC. 378. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.

(a) * * *

* * * * * * *

(h) TERMINATION.—The authority provided under this section shall terminate on September 30, [2012] *2017*.

* * * * * * *

SEC. 379B. GRANTS FOR NOAA WEATHER RADIO TRANSMITTERS.

(a) * * *

* * * * * * *

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.]

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 379E. RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.

(a) * * *

* * * * * * *

(d) FUNDING.—

(1) * * *

(2) DISCRETIONARY FUNDING.—In addition to amounts made available under paragraph (1), there are authorized to be appropriated to carry out this section [$40,000,000 for each of fiscal years 2009 through 2012] *$20,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

Subtitle F—Delta Regional Authority

* * * * * * *

SEC. 382M. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle **[**$30,000,000 for each of fiscal years 2008 through 2012**]** *$12,000,000 for each of fiscal years 2013 through 2017*, to remain available until expended.

* * * * * * *

SEC. 382N. TERMINATION OF AUTHORITY.

This subtitle and the authority provided under this subtitle expire on October 1, **[**2012**]** *2017*.

Subtitle G—Northern Great Plains Regional Authority

* * * * * * *

SEC. 383N. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle **[**$30,000,000 for each of fiscal years 2008 through 2012**]** *$2,000,000 for each of fiscal years 2013 through 2017*, to remain available until expended.

* * * * * * *

SEC. 383O. TERMINATION OF AUTHORITY.

The authority provided by this subtitle terminates effective October 1, **[**2012**]** *2017*.

Subtitle H—Rural Business Investment Program

* * * * * * *

SEC. 384S. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle **[**$50,000,000 for the period of fiscal years 2008 through 2012**]** *$20,000,000 for each of fiscal years 2013 through 2017*.

* * * * * * *

AGRICULTURAL CREDIT ACT OF 1987

* * * * * * *

TITLE V—STATE MEDIATION PROGRAMS

Subtitle A—Matching Grants for State Mediation Programs

* * * * * * *

SEC. 506. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle $7,500,000 for each of the fiscal years 1988 through [2015] *2017*.

* * * * * * *

PUBLIC LAW 91–229

SECTION 1. LOANS TO PURCHASERS OF HIGHLY FRACTIONED LAND.

(a) * * *

(b) HIGHLY FRACTIONATED LAND.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Agriculture may make and insure loans in accordance with section 309 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929) to eligible purchasers of highly fractionated land [pursuant to section 205(c) of the Indian Land Consolidation Act (25 U.S.C. 2204(c))] *or to intermediaries in order to establish revolving loan funds for the purchase of highly fractionated land*.

* * * * * * *

SECTION 333 OF THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 333. In connection with loans made or insured under this title, the Secretary shall [require]—

(1) *require* the applicant (A) to certify in writing, and the Secretary shall determine, that he is unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time, and (B) to furnish an appropriate written financial statement;

(2) except with respect to a loan under section 306, 310B, or 314*, require*—

(A) * * *

* * * * * * *

(3) except for guaranteed loans, *require* an agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source (or, in the case of a borrower under section 310D of this title, the borrower may be able to obtain a loan under section 302 of this title), at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan;

(4) *require* such provision for supervision of the borrower's operations as the Secretary shall deem necessary to achieve

the objectives of the loan and protect the interests of the United States; [and]

(5) *require* the application of a person who is a veteran of any war, as defined in section 101(12) of title 38, United States Code, for a loan under subtitle A or B to be given preference over a similar application from a person who is not a veteran of any war, if the applications are on file in a county or area office at the same time[.]*; and*

(6) with respect to water and waste disposal direct and guaranteed loans provided under section 306, encourage, to the maximum extent practicable, private or cooperative lenders to finance rural water and waste disposal facilities by—

(A) maximizing the use of loan guarantees to finance eligible projects in rural communities where the population exceeds 5,500;

(B) maximizing the use of direct loans to finance eligible projects in rural communities where the impact on rate payers will be material when compared to financing with a loan guarantee;

(C) establishing and applying a materiality standard when determining the difference in impact on rate payers between a direct loan and a loan guarantee;

(D) in the case of projects that require interim financing in excess of $500,000, requiring that such projects initially seek such financing from private or cooperative lenders; and

(E) determining if an existing direct loan borrower can refinance with a private or cooperative lender, including with a loan guarantee, prior to providing a new direct loan.

RURAL ELECTRIFICATION ACT OF 1936

TITLE I

* * * * * * *

SEC. 2. GENERAL AUTHORITY OF THE SECRETARY OF AGRICULTURE.

(a) LOANS.—The Secretary of Agriculture (referred to in this Act as the "Secretary") is authorized and empowered to make loans in the several States and Territories of the United States for rural electrification and for the purpose of furnishing and improving electric and telephone service in rural areas, as provided in this Act, and for the purpose of assisting electric borrowers to implement demand side management, energy efficiency *(including relending for this purpose as provided in section 4)* and conservation programs, and on-grid and off-grid renewable energy systems.

* * * * * * *

SEC. 4. (a) The Secretary is authorized and empowered, from the sums hereinbefore authorized, to make loans for rural electrification to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples' utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems

for the furnishing and improving of electric service to persons in rural areas, including by assisting electric borrowers to implement demand side management, energy efficiency *(including relending to ultimate consumers for this purpose by borrowers enumerated in the proviso in this section)* and conservation programs, and on-grid and off-grid renewable energy systems, and loans, from funds available under section 3, to cooperative associations and municipalities for the purpose of enabling said cooperative associations, and municipalities to the extent that such indebtedness was incurred with respect to electric transmission and distribution lines or systems or portions thereof serving persons in rural areas, to discharge or refinance long-term debts owned by them to the Tennessee Valley Authority on account of loans made or credit extended under the terms of the Tennessee Valley Authority Act of 1933, as amended: *Provided,* That the Secretary, in making such loans, shall give preference to States, Territories, and subdivisions and agencies thereof, municipalities, peoples' utility districts, and cooperative, nonprofit, or limited-dividend associations, the projects of which comply with the requirements of this Act.

* * * * * * *

SEC. 5. FEES FOR CERTAIN LOAN GUARANTEES.

(a) IN GENERAL.—For electrification baseload generation loan guarantees, the Secretary shall, at the request of the borrower, charge an upfront fee to cover the costs of the loan guarantee.

(b) FEE.—The fee described in subsection (a) for a loan guarantee shall be equal to the costs of the loan guarantee (within the meaning of section 502(5)(C) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)(C))).

(c) LIMITATION.—Funds received from a borrower to pay the fee described in this section shall not be derived from a loan or other debt obligation that is made or guaranteed by the Federal Government.

* * * * * * *

TITLE III

* * * * * * *

SEC. 313. CUSHION OF CREDIT PAYMENTS PROGRAM.

(a) * * *

(b) USES OF CUSHION OF CREDIT PAYMENTS.—

(1) * * *

(2) RURAL ECONOMIC DEVELOPMENT SUBACCOUNT.—

(A) * * *

(B) GRANTS.—The Secretary *(acting through the Rural Utilities Service)* is authorized, from the interest differential sums credited this subaccount and from any other funds made available thereto, to provide grants or zero interest loans to borrowers under this Act for the purpose of promoting *energy efficiency (including relending to ultimate consumers for this purpose),* rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects, and

other reasonable expenses for the purpose of fostering rural development.

* * * * * * *

SEC. 313A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.

(a) * * *

* * * * * * *

(f) TERMINATION.—The authority provided under this section shall terminate on September 30, ⟦2012⟧ *2017*.

* * * * * * *

SEC. 315. EXPANSION OF 911 ACCESS.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall use to make loans under this section any funds otherwise made available for telephone loans for each of fiscal years 2008 through ⟦2012⟧ *2017*.

* * * * * * *

TITLE VI—RURAL BROADBAND ACCESS

SEC. 601. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.

(a) * * *

* * * * * * *

(c) LOANS AND LOAN GUARANTEES.—

(1) * * *

⟦(2) PRIORITY.—In making or guaranteeing loans under paragraph (1), the Secretary shall give the highest priority to applicants that offer to provide broadband service to the greatest proportion of households that, prior to the provision of the broadband service, had no incumbent service provider.⟧

(2) PRIORITIES.—In making or guaranteeing loans under paragraph (1), the Secretary shall give—

(A) the highest priority to applicants that offer to provide broadband service to the greatest proportion of households that, prior to the provision of the broadband service, had no incumbent service provider; and

(B) priority to applicants that offer in their applications to provide broadband service not predominantly for business service, but where at least 25 percent of customers in the proposed service territory are commercial interests.

(d) ELIGIBILITY.—

(1) * * *

* * * * * * *

(5) NOTICE REQUIREMENT.—The Secretary shall publish a notice of each application for a loan or loan guarantee under this section describing the application, including—

(A) * * *

(B) each area proposed to be served by the applicant; [and]

(C) the estimated number of households without terrestrial-based broadband service in those areas[.]*;*

(D) the amount and type of support requested; and

(E) a list of the census block groups or tracts proposed to be so served.

* * * * * * *

(8) ADDITIONAL PROCESS.—The Secretary shall establish a process under which an incumbent service provider which, as of the date of the publication of notice under paragraph (5) with respect to an application submitted by the provider, is providing broadband service to a remote rural area, may (but shall not be required to) submit to the Secretary, not less than 15 and not more than 30 days after that date, information regarding the broadband services that the provider offers in the proposed service territory, so that the Secretary may assess whether the application meets the requirements of this section with respect to eligible projects.

(e) BROADBAND SERVICE.—

(1) * * *

* * * * * * *

(3) REQUIREMENT.—In considering the technology needs of customers in a proposed service territory, the Secretary shall take into consideration the upgrade or replacement cost for the construction or acquisition of facilities and equipment in the territory.

* * * * * * *

(k) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $25,000,000 for each of fiscal years 2008 through [2012] *2017*, to remain available until expended.

* * * * * * *

(l) TERMINATION OF AUTHORITY.—No loan or loan guarantee may be made under this section after September 30, [2012] *2017*.

* * * * * * *

PUBLIC LAW 102–551

SECTION 1. IMPROVEMENT OF HEALTH CARE SERVICES AND EDUCATIONAL SERVICES THROUGH TELECOMMUNICATIONS.

(a) * * *

(b) EXTENSION OF CHAPTER 1.—Notwithstanding any other provision of law, chapter 1 of subtitle D of title XXIII of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 950aaa et seq.), including the amendments made by this section, shall be effective until September 30, [2012] *2017*.

* * * * * * *

AGRICULTURAL RISK PROTECTION ACT OF 2000

* * * * * * *

TITLE II—AGRICULTURAL ASSISTANCE

* * * * * * *

SUBTITLE C—RESEARCH

[SEC. 221. CARBON CYCLE RESEARCH.

[(a) IN GENERAL.—To the extent funds are made available for this purpose, the Secretary shall provide a grant to the Consortium for Agricultural Soils Mitigation of Greenhouse Gases, acting through Kansas State University, to develop, analyze, and implement, through the land grant universities described in subsection (b), carbon cycle research at the national, regional, and local levels.

[(b) LAND GRANT UNIVERSITIES.—The land grant universities referred to in subsection (a) are the following:

[(1) Colorado State University.

[(2) Iowa State University.

[(3) Kansas State University.

[(4) Michigan State University.

[(5) Montana State University.

[(6) Purdue University.

[(7) Ohio State University.

[(8) Texas A&M University.

[(9) University of Nebraska.

[(c) USE.—Land grant universities described in subsection (b) shall use funds made available under this section—

[(1) to conduct research to improve the scientific basis of using land management practices to increase soil carbon sequestration, including research on the use of new technologies to increase carbon cycle effectiveness, such as biotechnology and nanotechnology;

[(2) to enter into partnerships to identify, develop, and evaluate agricultural best practices, including partnerships between—

[(A) Federal, State, or private entities; and

[(B) the Department of Agriculture;

[(3) to develop necessary computer models to predict and assess the carbon cycle;

[(4) to estimate and develop mechanisms to measure carbon levels made available as a result of—

[(A) voluntary Federal conservation programs;

[(B) private and Federal forests; and

[(C) other land uses;

[(5) to develop outreach programs, in coordination with Extension Services, to share information on carbon cycle and agricultural best practices that is useful to agricultural producers; and

[(6) to collaborate with the Great Plains Regional Earth Science Application Center to develop a space-based carbon cycle remote sensing technology program to—

[(A) provide, on a near-continual basis, a real-time and comprehensive view of vegetation conditions;

[(B) assess and model agricultural carbon sequestration; and

[(C) develop commercial products.

[(d) COOPERATIVE RESEARCH.—

[(1) IN GENERAL.—Subject to the availability of appropriations, the Secretary, in cooperation with departments and agencies participating in the U.S. Global Change Research Program (which may use any of their statutory authorities) and with eligible entities, may carry out research to promote understanding of—

[(A) the flux of carbon in soils and plants (including trees); and

[(B) the exchange of other greenhouse gases from agriculture.

[(2) ELIGIBLE ENTITIES.—Research under this subsection may be carried out through the competitive awarding of grants and cooperative agreements to colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 1303)).

[(3) COOPERATIVE RESEARCH PURPOSES.—Research conducted under this subsection shall encourage collaboration among scientists with expertise in the areas of soil science, agronomy, agricultural economics, forestry, and other agricultural sciences to focus on—

[(A) developing data addressing carbon losses and gains in soils and plants (including trees) and the exchange of methane and nitrous oxide from agriculture;

[(B) understanding how agricultural and forestry practices affect the sequestration of carbon in soils and plants (including trees) and the exchange of other greenhouse gases, including the effects of new technologies such as biotechnology and nanotechnology;

[(C) developing cost-effective means of measuring and monitoring changes in carbon pools in soils and plants (including trees), including computer models;

[(D) evaluating the linkage between federal conservation programs and carbon sequestration;

[(E) developing methods, including remote sensing, to measure the exchange of carbon and other greenhouse gases sequestered, and to evaluate leakage, performance, and permanence issues; and

[(F) assessing the applicability of the results of research conducted under this subsection for developing methods to account for the impact of agricultural activities (including forestry) on the exchange of greenhouse gases.

[(4) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2002 through 2007.

[(e) EXTENSION PROJECTS.—

[(1) IN GENERAL.—The Secretary, in cooperation with departments and agencies participating in the U.S. Global Change Research Program (which may use any of their statutory authorities), and local extension agents, experts from institutions

of higher education that offer a curriculum in agricultural and biological sciences, and other local agricultural or conservation organizations, may implement extension projects (including on-farm projects with direct involvement of agricultural producers) that combine measurement tools and modeling techniques into integrated packages to monitor the carbon sequestering benefits of conservation practices and the exchange of greenhouse gas emissions from agriculture which demonstrate the feasibility of methods of measuring and monitoring—

[(A) changes in carbon content and other carbon pools in soils and plants (including trees); and

[(B) the exchange of other greenhouse gases.

[(2) EXTENSION PROJECT RESULTS.—The Secretary may disseminate to farmers, ranchers, private forest landowners, and appropriate State agencies in each State information concerning—

[(A) the results of projects under this subsection; and

[(B) the manner in which the methods used in the projects might be applicable to the operations of the farmers, ranchers, private forest landowners, and State agencies.

[(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2002 through 2007.

[(f) ADMINISTRATIVE COSTS.—Not more than 3 percent of the funds made available for this section may be used by the Secretary to pay administrative costs incurred in carrying out this section.

[(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2007 through 2012.]

* * * * * * *

SUBTITLE D—AGRICULTURAL MARKETING

SEC. 231. VALUE-ADDED AGRICULTURAL PRODUCT MARKET DEVELOPMENT GRANTS.

(a) * * *

(b) GRANT PROGRAM.—

(1) * * *

* * * * * * *

(7) FUNDING.—

(A) MANDATORY FUNDING.—On October 1, [2008] *2012*, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this subsection [$15,000,000] *$50,000,000*, to remain available until expended.

(B) DISCRETIONARY FUNDING.—There is authorized to be appropriated to carry out this subsection $40,000,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977

* * * * * * *

Subtitle A—Findings, Purposes, and Definitions

* * * * * * *

DEFINITIONS

SEC. 1404. When used in this title:

(1) * * *

* * * * * * *

(10) HISPANIC-SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES.—

(A) IN GENERAL.—The term "Hispanic-serving agricultural colleges and universities" means colleges or universities [that]—

(i) *that* qualify as Hispanic-serving institutions; [and]

(ii) *that* offer associate, bachelors, or other accredited degree programs in agriculture-related fields[.]*; and*

(iii) with respect to which the Secretary has not received a statement of the declaration of the intent of a college or university to not be considered a Hispanic-serving agricultural college or university.

* * * * * * *

Subtitle B—Coordination and Planning of Agricultural Research, Extension, and Teaching

* * * * * * *

SEC. 1408. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.

(a) * * *

* * * * * * *

(c) DUTIES.—The Advisory Board shall—

(1) * * *

* * * * * * *

(3) review and make recommendations to the Under Secretary of Agriculture for Research, Education, and Economics on the research, extension, education, and economics portion of the draft strategic plan required under section 306 of title 5, United States Code; [and]

(4) review the mechanisms of the Department of Agriculture for technology assessment (which should be conducted by qualified professionals) for the purposes of—

(A) * * *

* * * * * * *

(C) the development of mechanisms for the assessment of emerging public and private agricultural research and technology transfer initiatives[.]*; and*

(5) consult with industry groups on agricultural research, extension, education, and economics, and make recommendations to the Secretary based on that consultation.

* * * * * * *

(h) TERMINATION.—The Advisory Board shall remain in existence until September 30, [2012] *2017*.

SEC. 1408A. SPECIALTY CROP COMMITTEE.

(a) * * *

* * * * * * *

(c) ANNUAL COMMITTEE REPORT.—Not later than 180 days after the establishment of the specialty crops committee, and annually thereafter, the specialty crops committee shall submit to the Advisory Board a report containing the findings of its study under subsection (a). The specialty crops committee shall include in each report recommendations regarding the following:

(1) [Measures] *Programs* designed to improve the efficiency, productivity, and profitability of specialty crop production in the United States.

[(2) Measures designed to improve competitiveness in research, extension, and economics programs affecting the specialty crop industry.]

[(3) Programs that would] *(2) Research, extension, and teaching programs designed to improve competitiveness in the specialty crop industry, including programs that would—*

(A) * * *

* * * * * * *

(D) develop new products and new uses of specialty crops *including improving the quality and taste of processed specialty crops*;

* * * * * * *

(G) improve *the remote sensing and the* mechanization of production practices; and

* * * * * * *

[(4)] *(3)* Analyses of changes in macroeconomic conditions, technologies, and policies on specialty crop production and consumption, with particular focus on the effect of those changes on the financial stability of producers.

[(5)] *(4)* Development of data that provide applied information useful to specialty crop growers, their associations, and other interested beneficiaries in evaluating that industry from a regional and national perspective.

* * * * * * *

Subtitle C—Agricultural Research and Education Grants and Fellowships

* * * * * * *

SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.

(a) DEFINITIONS.—In this section:

(1) QUALIFIED ENTITY.—The term "qualified entity" means—

(A) a for-profit or nonprofit entity located in the United States that, or an individual who, operates a veterinary clinic providing veterinary services—

(i) in a rural area, as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)); and

(ii) in a veterinarian shortage situation;

(B) a State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association;

(C) a college or school of veterinary medicine accredited by the American Veterinary Medical Association;

(D) a university research foundation or veterinary medical foundation;

(E) a department of veterinary science or department of comparative medicine accredited by the Department of Education;

(F) a State agricultural experiment station; or

(G) a State, local, or tribal government agency.

(2) VETERINARIAN SHORTAGE SITUATION.—The term "veterinarian shortage situation" means a veterinarian shortage situation as determined by the Secretary under section 1415A.

(b) ESTABLISHMENT.—

(1) COMPETITIVE GRANTS.—The Secretary shall carry out a program to make competitive grants to qualified entities that carry out programs or activities described in paragraph (2) for the purpose of developing, implementing, and sustaining veterinary services.

(2) ELIGIBILITY REQUIREMENTS.—A qualified entity shall be eligible to receive a grant described in paragraph (1) if the entity carries out programs or activities that the Secretary determines will—

(A) substantially relieve veterinarian shortage situations;

(B) support or facilitate private veterinary practices engaged in public health activities; or

(C) support or facilitate the practices of veterinarians who are providing or have completed providing services under an agreement entered into with the Secretary under section 1415A(a)(2).

(c) AWARD PROCESSES AND PREFERENCES.—

(1) APPLICATION, EVALUATION, AND INPUT PROCESSES.—In administering the grant program established under this section, the Secretary shall—

(A) use an appropriate application and evaluation process, as determined by the Secretary; and

(B) seek the input of interested persons.

(2) COORDINATION PREFERENCE.—In selecting recipients of grants to be used for any of the purposes described in subsection (d)(1), the Secretary shall give a preference to qualified entities that provide documentation of coordination with other qualified entities, with respect to any such purpose.

(3) CONSIDERATION OF AVAILABLE FUNDS.—In selecting recipients of grants to be used for any of the purposes described in subsection (d), the Secretary shall take into consideration the

amount of funds available for grants and the purposes for which the grant funds will be used.

(4) NATURE OF GRANTS.—A grant awarded under this section shall be considered to be a competitive research, extension, or education grant.

(d) USE OF GRANTS TO RELIEVE VETERINARIAN SHORTAGE SITUATIONS AND SUPPORT VETERINARY SERVICES.—

(1) IN GENERAL.—Except as provided in paragraph (2), a qualified entity may use funds provided by a grant awarded under this section to relieve veterinarian shortage situations and support veterinary services for any of the following purposes:

(A) To promote recruitment (including for programs in secondary schools), placement, and retention of veterinarians, veterinary technicians, students of veterinary medicine, and students of veterinary technology.

(B) To allow veterinary students, veterinary interns, externs, fellows, and residents, and veterinary technician students to cover expenses (other than the types of expenses described in section 1415A(c)(5)) to attend training programs in food safety or food animal medicine.

(C) To establish or expand accredited veterinary education programs (including faculty recruitment and retention), veterinary residency and fellowship programs, or veterinary internship and externship programs carried out in coordination with accredited colleges of veterinary medicine.

(D) To provide continuing education and extension, including veterinary telemedicine and other distance-based education, for veterinarians, veterinary technicians, and other health professionals needed to strengthen veterinary programs and enhance food safety.

(E) To provide technical assistance for the preparation of applications submitted to the Secretary for designation as a veterinarian shortage situation under this section or section 1415A.

(2) QUALIFIED ENTITIES OPERATING VETERINARY CLINICS.—A qualified entity described in subsection (a)(1)(A) may only use funds provided by a grant awarded under this section to establish or expand veterinary practices, including—

(A) equipping veterinary offices;

(B) sharing in the reasonable overhead costs of such veterinary practices, as determined by the Secretary; or

(C) establishing mobile veterinary facilities in which a portion of the facilities will address education or extension needs.

(e) SPECIAL REQUIREMENTS FOR CERTAIN GRANTS.—

(1) TERMS OF SERVICE REQUIREMENTS.—

(A) IN GENERAL.—Funds provided through a grant made under this section to a qualified entity described in subsection (a)(1)(A) and used by such entity under subsection (d)(2) shall be subject to an agreement between the Secretary and such entity that includes a required term of service for such entity (including a qualified entity oper-

ating as an individual), as prospectively established by the Secretary.

(B) CONSIDERATIONS.—In establishing a term of service under subparagraph (A), the Secretary shall consider only—

(i) the amount of the grant awarded; and

(ii) the specific purpose of the grant.

(2) BREACH REMEDIES.—

(A) IN GENERAL.—An agreement under paragraph (1) shall provide remedies for any breach of the agreement by the qualified entity referred to in paragraph (1)(A), including repayment or partial repayment of the grant funds, with interest.

(B) WAIVER.—The Secretary may grant a waiver of the repayment obligation for breach of contract if the Secretary determines that such qualified entity demonstrates extreme hardship or extreme need.

(C) TREATMENT OF AMOUNTS RECOVERED.—Funds recovered under this paragraph shall—

(i) be credited to the account available to carry out this section; and

(ii) remain available until expended without further appropriation.

(f) PROHIBITION ON USE OF GRANT FUNDS FOR CONSTRUCTION.—Except as provided in subsection (d)(2), funds made available for grants under this section may not be used—

(1) to construct a new building or facility; or

(2) to acquire, expand, remodel, or alter an existing building or facility, including site grading and improvement and architect fees.

(g) REGULATIONS.—Not later than 1 year after the date of the enactment of this section, the Secretary shall promulgate regulations to carry out this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $10,000,000 for fiscal year 2013 and each fiscal year thereafter, to remain available until expended.

* * * * * * *

SEC. 1417. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION.

(a) * * *

* * * * * * *

(m) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for carrying out this [section $60,000,000 for each of the fiscal years 1990 through 2012.] *section—*

(1) $60,000,000 for each of fiscal years 1990 through 2012; and

(2) $40,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 1419A. *AGRICULTURAL AND FOOD* POLICY RESEARCH CENTERS.

(a) IN GENERAL.—Consistent with this section, the [Secretary may make grants, competitive grants, and special research grants to, and enter into cooperative agreements and other contracting in-

struments with,] *Secretary shall, acting through the Office of the Chief Economist, make competitive grants to or enter into cooperative agreements with* policy research centers described in subsection (b) *with a history of providing unbiased, nonpartisan economic analysis to Congress* to conduct research and education programs that are objective, operationally independent, and external to the Federal Government and that concern the effect of public policies and trade agreements on—

(1) * * *

* * * * * * *

(b) ELIGIBLE RECIPIENTS.—State agricultural experiment stations, colleges and universities, [other research institutions and organizations (including the Food Agricultural Policy Research Institute, the Agricultural and Food Policy Center, the Rural Policy Research Institute, and the National Drought Mitigation Center), private organizations, corporations, and individuals shall be eligible] *and other public research institutions and organizations shall be eligible* to apply for funding under subsection (a).

(c) PREFERENCE.—In awarding grants under this section, the Secretary shall give a preference to policy research centers that have extensive databases, models, and demonstrated experience in providing Congress with agricultural market projections, rural development analysis, agricultural policy analysis, and baseline projections at the farm, multiregional, national, and international levels.

[(c)] *(d)* ACTIVITIES.—Under this section, funding may be provided for disciplinary and interdisciplinary research and education concerning policy research activities consistent with this section, including activities that—

(1) * * *

* * * * * * *

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1996 through 2012.]

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for each of fiscal years 1996 through 2012; and

(2) $5,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

Subtitle D—National Food and Human Nutrition Research and Extension Program

* * * * * * *

[SEC. 1424. HUMAN NUTRITION INTERVENTION AND HEALTH PROMOTION RESEARCH PROGRAM.

[(a) AUTHORITY OF SECRETARY.—The Secretary may establish, and award grants for projects for, a multi-year research initiative on human nutrition intervention and health promotion.

[(b) EMPHASIS OF INITIATIVE.—In administering human nutrition research projects under this section, the Secretary shall give specific emphasis to—

[(1) coordinated longitudinal research assessments of nutritional status;

[(2) the implementation of unified, innovative intervention strategies; and

[(3) proposals that examine the efficacy of current agriculture policies in promoting the health and welfare of economically disadvantaged populations;

to identify and solve problems of nutritional inadequacy and contribute to the maintenance of health, well-being, performance, and productivity of individuals, thereby reducing the need of the individuals to use the health care system and social programs of the United States.

[(c) ADMINISTRATION OF FUNDS.—The Administrator of the Agricultural Research Service shall administer funds made available to carry out this section to ensure a coordinated approach to health and nutrition research efforts.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1996 through 2012.

[SEC. 1424A. PILOT RESEARCH PROGRAM TO COMBINE MEDICAL AND AGRICULTURAL RESEARCH.

[(a) FINDINGS.—Congress finds the following:

[(1) Although medical researchers in recent years have demonstrated that there are several naturally occurring compounds in many vegetables and fruits that can aid in the prevention of certain forms of cancer, coronary heart disease, stroke, and atherosclerosis, there has been almost no research conducted to enhance these compounds in food plants by modern breeding and molecular genetic methods.

[(2) By linking the appropriate medical and agricultural research scientists in a highly-focused, targeted research program, it should be possible to develop new varieties of vegetables and fruits that would provide greater prevention of diet-related diseases that are a major cause of death in the United States.

[(b) PILOT RESEARCH PROGRAM.—The Secretary shall conduct, through the National Institute of Food and Agriculture, a pilot research program to link major cancer and heart and other circulatory disease research efforts with agricultural research efforts to identify compounds in vegetables and fruits that prevent these diseases. Using information derived from such combined research efforts, the Secretary shall assist in the development of new varieties of vegetables and fruits having enhanced therapeutic properties for disease prevention.

[(c) AGREEMENTS.—The Secretary shall carry out the pilot program through agreements entered into with land-grant colleges or universities, other universities, State agricultural experiment stations, the State cooperative extension services, nonprofit organizations with demonstrable expertise, or Federal or State governmental entities. The Secretary shall enter into the agreements on a competitive basis.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for each of fiscal years 1997 through 2012 to carry out the pilot program.]

SEC. 1425. NUTRITION EDUCATION PROGRAM.

(a) * * *

* * * * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the expanded food and nutrition education program established under section 3(d) of the Act of May 8, 1914 (7 U.S.C. 343(d)), and this section $90,000,000 for each of fiscal years 2009 through [2012] *2017*.

* * * * * * *

Subtitle E—Animal Health and Disease Research

[APPROPRIATIONS FOR CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS

[SEC. 1433. (a) There are authorized to be appropriated such funds as Congress may determine necessary to support continuing animal health and disease research programs at eligible institutions, but not to exceed $25,000,000 for each of the fiscal years 1991 through 2012, and not in excess of such sums as may after the date of enactment of this title be authorized by law for any subsequent fiscal year. Funds appropriated under this section shall be used: (1) to meet expenses of conducting animal health and disease research, publishing and disseminating the results of such research, and contributing to the retirement of employees subject to the provisions of the Act of March 4, 1940 (54 Stat. 39–40, as amended; 7 U.S.C. 331); (2) for administrative planning and direction; and (3) to purchase equipment and supplies necessary for conducting such research.]

SEC. 1433. APPROPRIATIONS FOR CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to support continuing animal health and disease research programs at eligible institutions—

(A) $25,000,000 for each of fiscal years 1991 through 2012; and

(B) $15,000,000 for each of fiscal years 2013 through 2017.

(2) USE OF FUNDS.—Funds made available under this section shall be used—

(A) to meet the expenses of conducting animal health and disease research, publishing and disseminating the results of such research, and contributing to the retirement of employees subject to the Act of March 4, 1940 (7 U.S.C. 331);

(B) for administrative planning and direction; and

(C) to purchase equipment and supplies necessary for conducting the research described in subparagraph (A).

* * * * * * *

[APPROPRIATIONS FOR RESEARCH ON NATIONAL OR REGIONAL PROBLEMS

[SEC. 1434. (a) There are authorized to be appropriated such funds as Congress may determine necessary to support research on

specific national or regional animal health or disease problems, or national or regional problems relating to pre-harvest, on-farm food safety, or animal well-being, but not to exceed $35,000,000 for each of the fiscal years 1991 through 2012, and not in excess of such sums as may after the date of enactment of this title be authorized by law for any subsequent fiscal year.

[(b) Notwithstanding the provisions of section 1435 of this title, funds appropriated under this section shall be awarded in the form of grants, for periods not to exceed five years, to State agricultural experiment stations, colleges and universities (including 1890 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601))), other research institutions and organizations, Federal agencies, private organizations or corporations, and individuals.

[(c) In order to establish a national allocation of funds appropriated under this section, the Secretary shall establish annually priority lists of animal health and disease, food safety, and animal well-being problems of national or regional significance. Such lists shall be prepared after consultation with the Advisory Board. Any recommendations made in connection with such consultation shall not be controlling on the Secretary's determination of priorities. In establishing such priorities, the Secretary and the Advisory Board shall consider the following factors:

[(1) any health or disease problem which causes or may cause significant economic losses to any part of the livestock production industry;

[(2) any food safety problem that has a significant pre-harvest (on-farm) component and is recognized as posing a significant health hazard to the consuming public;

[(3) issues of animal well-being related to production methods that will improve the housing and management of animals to improve the well-being of livestock production species;

[(4) whether current scientific knowledge necessary to prevent, cure, or abate such a health or disease problem is adequate; and

[(5) whether the status of scientific research is such that accomplishments may be anticipated through the application of scientific effort to such health or disease problem.

[(d) Without regard to any consultation under subsection (c), the Secretary shall, to the extent feasible, award grants on the basis of the priorities assigned through a peer review system. Grantees shall be selected on a competitive basis in accordance with such procedures as the Secretary may establish.

[(e) In the case of multiyear grants, the Secretary shall distribute funds to grant recipients on a schedule which is reasonably related to the timetable required for the orderly conduct of the research project involved.

[(f) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) and title XVIII of this Act shall not apply to a panel or board created solely for the purpose of reviewing applications or proposals submitted under this subtitle.]

* * * * * * *

MATCHING FUNDS

SEC. 1438. No funds in excess of $100,000[, exclusive of the funds provided for research on specific national or regional animal health and disease problems under the provisions of section 1434 of this title,] shall be paid by the Federal Government to any State under this subtitle during any fiscal year in excess of the amount from non-Federal sources made available to and budgeted for expenditure by eligible institutions in the State during the same fiscal year for animal health and disease research. The Secretary is authorized to make such payments in excess of $100,000 on the certificate of the appropriate official of the eligible institution having charge of the animal health and disease research for which such payments are to be made. If any eligible institution certified for receipt of matching funds fails to make available and budget for expenditure for animal health and disease research in any fiscal year sums as least equal to the amount for which it is certified, the difference between the Federal matching funds available and the funds made available to and budgeted for expenditure by the eligible institution shall be reapportioned by the Secretary among other eligible institutions of the same State, if there are any which qualify therefor, and, if there are none, the Secretary shall reapportion such difference among the other States.

* * * * * * *

Subtitle G—1890 Land-Grant College Funding

* * * * * * *

SEC. 1447. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Agriculture for the purposes of carrying out the provisions of this section, $25,000,000 for each of fiscal years 2002 through [2012] *2017*, and such sums shall remain available until expended.

* * * * * * *

SEC. 1447B. GRANTS TO UPGRADE AGRICULTURE AND FOOD SCIENCES FACILITIES AND EQUIPMENT *AND SUPPORT TROPICAL AND SUBTROPICAL AGRICULTURAL RESEARCH* AT INSULAR AREA LAND-GRANT [INSTITUTIONS] *COLLEGES AND UNIVERSITIES*.

[(a) PURPOSE.—It is the intent of Congress to assist the land-grant institutions in the insular areas in efforts to acquire, alter, or repair facilities or relevant equipment necessary for conducting agricultural research.]

(a) PURPOSE.—It is the intent of Congress to assist the land-grant colleges and universities in the insular areas in efforts to—

(1) acquire, alter, or repair facilities or relevant equipment necessary for conducting agricultural research; and

(2) support tropical and subtropical agricultural research, including pest and disease research.

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000 for each of fiscal years 2008 through [2012] *2017*.

[SEC. 1448. NATIONAL RESEARCH AND TRAINING VIRTUAL CENTERS.

[(a) COMPETITIVE GRANTS AUTHORIZED.—The Secretary of Agriculture may make a competitive grant to five national research and training virtual centers located at colleges (or a consortia of such colleges) eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University, that—

[(1) have been designated by the Secretary for the fiscal years 1991 through 1995, or fiscal years 1996 through 2012, as national research and training virtual centers; and

[(2) have the best demonstrable capacity, as determined by the Secretary, to provide administrative leadership as—

[(A) a National Center for Goat Research and Training;

[(B) a National Center for Agricultural Engineering Development, Research, and Training;

[(C) a National Center for Water Quality and Agricultural Production Research and Training;

[(D) a National Center for Sustainable Agriculture Research and Training; and

[(E) a National Center for Domestic and International Trade and Development Research and Training.

[(b) USE OF GRANTS.—A grant made under subsection (a) may be expended by a center to—

[(1) pay expenses incurred in conducting research for which the center was designated;

[(2) print and disseminate the results of such research;

[(3) plan, administer, and direct such research; and

[(4) alter or repair buildings necessary to conduct such research.

[(c) PRIORITY.—In making a grant determination under subsection (a), the Secretary shall give priority to those centers that—

[(1) will assure dissemination of information between eligible institutions described in subsection (a) and among agricultural producers; and

[(2) will attract students and needed professionals in the food and agricultural sciences.

[(d) PAYMENTS.—(1) Under the terms of a grant made under subsection (a), funds appropriated under subsection (f) for a fiscal year shall be paid (upon vouchers approved by the Secretary) to a center receiving the grant in equal quarterly installments beginning on or about the first day of October of such year.

[(2) Not later than 60 days after the end of each fiscal year for which funds are paid under this section to a center, the research director of such center shall submit to the Secretary a detailed statement of the disbursements in such fiscal year of funds received by such center under this section.

[(3) If any of the funds received by a center under this section are misapplied, lost, or diminished by any action or contingency on the part of the center—

[(A) the center shall replace such funds; and

[(B) the Secretary shall not distribute to such center any other funds under this subsection until such funds are replaced.

[(e) PROHIBITED USES OF FUNDS.—Funds provided under this section may not be used—

[(1) to acquire or construct a building; or

[(2) to pay the overhead costs of the college (or consortia of colleges) receiving the grant.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for each of the fiscal years 1991 through 2012 for grants under this section.

[(g) CENTER DEFINED.—For purposes of this section, the term "center" means a national research and training virtual center that receives a grant under this subsection.

[(h) COORDINATION OF CENTER ACTIVITIES.—(1) The center designated under subsection (a)(2)(C) shall coordinate its activities with the water quality research activities conducted under subtitle G of title XIV of the Food, Agriculture, Conservation, and Trade Act of 1990.

[(2) The center designated under subsection (a)(2)(D) shall coordinate its activities with the sustainable agriculture research and education program established under subtitle B of title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990.]

* * * * * * *

Subtitle H—Programs for Hispanic-Serving Institutions

SEC. 1455. EDUCATION GRANTS PROGRAMS FOR HISPANIC-SERVING INSTITUTIONS.

(a) * * *

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section $40,000,000 for each of fiscal years 1997 through [2012] *2017*.

* * * * * * *

Subtitle I—International Research, Extension, and Teaching

* * * * * * *

SEC. 1459A. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

(a) * * *

* * * * * * *

[(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through 2012.]

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for each of fiscal years 1999 through 2012; and

(2) $5,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

Subtitle K—Funding and Miscellaneous Provisions

* * * * * * *

[SEC. 1462A. RESEARCH EQUIPMENT GRANTS.

[(a) IN GENERAL.—The Secretary may make competitive grants for the acquisition of special purpose scientific research equipment for use in the food and agricultural sciences programs of eligible institutions described in subsection (b).

[(b) ELIGIBLE INSTITUTIONS.—The Secretary may make a grant under this section to—

[(1) a college or university; or

[(2) a State cooperative institution.

[(c) MAXIMUM AMOUNT.—The amount of a grant made to an eligible institution under this section may not exceed $500,000.

[(d) PROHIBITION ON CHARGE OF EQUIPMENT AS INDIRECT COSTS.—The cost of acquisition or depreciation of equipment purchased with a grant under this section shall not be—

[(1) charged as an indirect cost against another Federal grant; or

[(2) included as part of the indirect cost pool for purposes of calculating the indirect cost rate of an eligible institution.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2012.]

* * * * * * *

AUTHORIZATION FOR APPROPRIATIONS FOR EXISTING AND CERTAIN NEW AGRICULTURAL RESEARCH PROGRAMS

SEC. 1463. (a) Notwithstanding any authorization for appropriations for agricultural research in any Act enacted prior to the date of enactment of this title, there are hereby authorized to be appropriated for the purposes of carrying out the provisions of this title, except sections 1417, 1420, and the competitive grants program provided for in section 1414, and except that the authorization for moneys provided under the Act of March 2, 1887 (24 Stat. 440–442, as amended; 7 U.S.C. 361a–361i), is excluded and is provided for in subsection (b) of this section, such sums as may be necessary for each of fiscal years 1991 through [2012] *2017*.

(b) Notwithstanding any authorization for appropriations for agricultural research at State agricultural experiment stations in any Act enacted prior to the date of enactment of this title, there are hereby authorized to be appropriated for the purpose of conducting agricultural research at State agricultural experiment stations pursuant to the Act of March 2, 1887 (24 Stat. 440–442, as amended; 7 U.S.C. 361a–361i), such sums as may be necessary for each of fiscal years 1991 through [2012] *2017*.

(c) Notwithstanding any other provision of law effective beginning October 1, 1983, not less than 25 per centum of the total funds appropriated to the Secretary in any fiscal year for the conduct of the cooperative research program provided for under the Act of March 2, 1887, commonly known as the Hatch Act (7 U.S.C.

361a et seq.); the cooperative forestry research program provided for under the Act of October 10, 1962, commonly known as the McIntire-Stennis Act (16 U.S.C. 582a et seq.); the special and competitive grants programs provided for in sections 2(b) and 2(c) of the Act of August 4, 1965 (7 U.S.C. 450i); the animal health research program provided for under [sections 1433 and 1434] *section 1433* of this title; the native latex research program provided for in the Native Latex Commercialization and Economic Development Act of 1978 (7 U.S.C. 178 et seq.); and the research provided for under various statutes for which funds are appropriated under the Agricultural Research heading or a successor heading, shall be appropriated for research at State agricultural experiment stations pursuant to the provision of the Act of March 2, 1887.

AUTHORIZATION FOR APPROPRIATIONS FOR EXTENSION EDUCATION

SEC. 1464. Notwithstanding any authorization for appropriations for the Cooperative Extension Service in any Act enacted prior to the date of enactment of this title, there are hereby authorized to be appropriated for the purposes of carrying out the extension programs of the Department of Agriculture such sums as may be necessary for each of fiscal years 1991 through [2012] *2017*.

* * * * * * *

SEC. 1469. AUDITING, REPORTING, BOOKKEEPING, AND ADMINISTRATIVE REQUIREMENTS.

(a) IN GENERAL.—Except as provided elsewhere in this Act or any other Act of Congress—

(1) * * *

(2) the Secretary shall provide that each recipient of assistance under this title shall submit an annual report, at such times and on such forms as the Secretary shall prescribe, stating the accomplishments of projects (on a project-by-project basis) for which such assistance was used and accounting for the use of all such assistance. If the Secretary determines that any portion of funds made available under this title has been lost or applied in a manner inconsistent with the provisions of this title or regulations issued thereunder the recipient of such funds shall reimburse the Federal Government for the funds lost or so applied, and the Secretary shall not make available to such recipient any additional funds under this Act until the recipient has so reimbursed the Federal Government; *and*

[(3) the Secretary may retain up to 4 percent of amounts made available for agricultural research, extension, and teaching assistance programs for the administration of those programs authorized under this Act or any other Act; and]

[(4)] *(3)* the Secretary shall establish appropriate criteria for grant and assistance approval and necessary regulations pertaining thereto.

(b) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of law, the Secretary may retain not more than 4 percent of amounts made available for agricultural research, extension, and teaching assistance programs for the administration of those programs authorized under this Act or any other Act.

(2) EXCEPTIONS.—The limitation on administrative expenses under paragraph (1) shall not apply to peer panel expenses under subsection (d) or any other provision of law related to the administration of agricultural research, extension, and teaching assistance programs that contains a limitation on administrative expenses that is less than the limitation under paragraph (1).

[(b)] *(c)* COMMUNITY FOOD PROJECTS.—The Secretary may retain, for the administration of community food projects under section 25 of the Food and Nutrition Act of 2008 (7 U.S.C. 2034), 4 percent of amounts available for the projects, notwithstanding the availability of any appropriation for administrative expenses of the projects.

[(c)] *(d)* PEER PANEL EXPENSES.—Notwithstanding any other provision of law regarding a competitive research, education, or extension grant program of the Department of Agriculture, the Secretary may use grant program funds, as necessary, to supplement funds otherwise available for program administration, to pay for the costs associated with peer review of grant proposals under the program.

[(d)] *(e)* DEFINITION OF IN-KIND SUPPORT.—In any law relating to agricultural research, education, or extension activities administered by the Secretary, the term "in-kind support", with regard to a requirement that the recipient of funds provided by the Secretary match all or part of the amount of the funds, means contributions such as office space, equipment, and staff support.

* * * * * * *

SUPPLEMENTAL AND ALTERNATIVE CROPS

SEC. 1473D. (a) Notwithstanding any other provision of law, during the period beginning October 1, 1986, and ending September 30, [2012] *2017*, the Secretary shall develop and implement a research project for the development of supplemental and alternative crops, using such funds as are appropriated to the Secretary each fiscal year under this title.

* * * * * * *

(c)(1) The Secretary shall [use such research funding, special or competitive grants, or other means, as the Secretary determines,] *make competitive grants* to further the purposes of this section in the implementation of a comprehensive and integrated program.

* * * * * * *

(e) There are authorized to be appropriated to carry out this section—

(1) such sums as are necessary for fiscal year 2012; and

(2) $1,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 1473F. CAPACITY BUILDING GRANTS FOR NLGCA INSTITUTIONS.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

Subtitle L—Aquaculture

* * * * * * *

AQUACULTURE ASSISTANCE PROGRAMS

SEC. 1475. (a) * * *

(b) GRANTS.—The Secretary may make *competitive* grants to—

(1) * * *

* * * * * * *

[AUTHORIZATION FOR APPROPRIATIONS

[SEC. 1477. There is authorized to be appropriated $7,500,000 for each of the fiscal years 1991 through 2012. Funds appropriated under this section or section 1476 may not be used to acquire or construct a building.]

SEC. 1477. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this subtitle—

(1) $7,500,000 for each of fiscal years 1991 through 2012; and

(2) $5,000,000 for each of fiscal years 2013 through 2017.

(b) PROHIBITION ON USE.—Funds made available under this section may not be used to acquire or construct a building.

Subtitle M—Rangeland Research

* * * * * * *

APPROPRIATIONS

SEC. 1483. (a) There are authorized to be appropriated, to implement the provisions of this [subtitle, such sums not to exceed $10,000,000 for each of the fiscal years 1991 through 2012.] *subtitle—*

(1) $10,000,000 for each of fiscal years 1991 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

Subtitle N—Biosecurity

SEC. 1484. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts for agricultural research, extension, and education under this Act, there are authorized to be appropriated for agricultural research, education, and extension activities for biosecurity planning and [response such sums as are necessary for each of fiscal years 2002 through 2012.] *response—*

(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

(2) $10,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

Subtitle O—Institutions of Higher Education in Insular Areas

* * * * * * *

SEC. 1490. DISTANCE EDUCATION GRANTS FOR INSULAR AREAS.

(a) IN GENERAL.—The Secretary may make competitive [or non-competitive] grants to eligible institutions in insular areas to strengthen the capacity of such institutions to carry out distance food and agricultural education programs using digital network technologies.

* * * * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this [section such sums as may be necessary for each of fiscal years 2002 through 2012.] *section—*

(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

SEC. 1491. RESIDENT INSTRUCTION GRANTS FOR INSULAR AREAS.

(a) * * *

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [such sums as are necessary for each of the fiscal years 2002 through 2012 to carry out this section.] *to carry out this section—*

(1) such sums as are necessary for each of fiscal years 2002 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

Subtitle P—General Provisions

SEC. 1492. MATCHING FUNDS REQUIREMENT.

(a) MATCHING FUNDS REQUIREMENT.—The recipient of a competitive grant that is awarded by the Secretary under a covered law and that involves applied research or extension that is commodity-specific or State-specific shall provide funds, in-kind contributions, or a combination of both, from sources other than funds provided through such grant in an amount at least equal to the amount of such grant.

(b) WAIVER AUTHORITY.—The Secretary may waive the matching funds requirement under subsection (a) with respect to a competitive grant that involves applied research or extension that the National Agricultural Research, Extension, Education, and Economics Advisory Board has determined is a national priority under section 1408(c).

(c) DEFINITIONS.—In this section:

(1) APPLIED RESEARCH.—The term "applied research" has the meaning given such term in section 251(f)(1)(B) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1)(B)).

(2) COVERED LAW.—The term "covered law" means each of the following provisions of law:

(A) This title.

(B) Title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5801 et seq.).

(C) The Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601 et seq.).

(D) Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f).

(E) Part III of subtitle E of title VII of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 3202 et seq.).

(F) The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i).

COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANT ACT

* * * * * * *

SEC. 2. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANTS.

(a) * * *

(b) AGRICULTURE AND FOOD RESEARCH INITIATIVE.—

(1) * * *

(2) PRIORITY AREAS.—The competitive grants program established under this subsection shall address the following areas:

(A) PLANT HEALTH AND PRODUCTION AND PLANT PRODUCTS.—Plant systems, including—

(i) * * *

* * * * * * *

(vi) unproved nutrient qualities of plant products; **[**and**]**

(vii) new food and industrial uses of plant products**[**.**]***; and*

(viii) plant-based foods that are major sources of nutrients of concern (as determined by the Secretary).

(B) ANIMAL HEALTH AND PRODUCTION AND ANIMAL PRODUCTS.—Animal systems, including—

(i) * * *

* * * * * * *

(vii) improved nutrient qualities of animal products and uses; **[**and**]**

(viii) the development of new and improved animal husbandry and production systems that take into account production efficiency, animal well-being, and animal systems applicable to aquaculture**[**.**]***;*

(ix) the research and development of surveillance methods, vaccines, vaccination delivery systems, or diagnostic tests for zoonotic diseases in wildlife reservoirs presenting a potential concern to public health or domestic livestock; and

(x) the identification of animal drug needs and the generation and dissemination of data for safe and effective therapeutic applications of animal drugs for minor species and minor uses of such drugs in major species.

(C) FOOD SAFETY, NUTRITION, AND HEALTH.—Nutrition, food safety and quality, and health, including—

(i) * * *

(ii) links between diet and health*, including the effects of plant-based foods that are major sources of nutrients of concern on diet and health*;

(iii) bioavailability of nutrients*, including plant-based foods that are major sources of nutrients of concern*;

(iv) postharvest physiology and practices*, including postharvest practices conducted with respect to plant-based foods that are major sources of nutrients of concern*; and

(v) improved processing technologies*, including improving the functionality of plant-based foods that are major sources of nutrients of concern*.

(D) RENEWABLE ENERGY, NATURAL RESOURCES, AND ENVIRONMENT.—Natural resources and the environment, including—

(i) * * *

* * * * * * *

(iv) the effectiveness of conservation practices and technologies designed to address nutrient losses and improve water quality;

[(iv)] *(v)* global climate effects on agriculture;

[(v)] *(vi)* forestry; and

[(vi)] *(vii)* biological diversity.

* * * * * * *

(F) AGRICULTURE ECONOMICS AND RURAL COMMUNITIES.—Markets, trade, *economics,* and policy, including—

(i) * * *

* * * * * * *

(v) the economic costs, benefits, and viability of producers adopting conservation practices and technologies designed to improve water quality;

[(v)] *(vi)* technology assessment; and

[(vi)] *(vii)* new approaches to rural development, including rural entrepreneurship.

* * * * * * *

(4) GENERAL ADMINISTRATION.—In making grants under this subsection, the Secretary shall—

(A) * * *

* * * * * * *

(D) solicit and consider input from persons who conduct or use agricultural research, extension, or education in accordance with section 102(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7612(b)); [and]

(E) in seeking proposals for grants under this subsection and in performing peer review evaluations of such proposals, seek the widest participation of qualified individuals in the Federal Government, colleges and universities,

State agricultural experiment stations, and the private sector[.]*; and*

(F) establish procedures under which a commodity board established under a commodity promotion law (as such term is defined under section 501(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(a))) or a State commodity board (or other equivalent State entity) may directly submit to the Secretary proposals for requests for applications to specifically address particular issues related to the priority areas specified in paragraph (2).

* * * * * * *

(6) SPECIAL CONSIDERATIONS.—In making grants under this subsection, the Secretary may assist in the development of capabilities in the agricultural, food, and environmental sciences by providing grants—

(A) * * *

* * * * * * *

(C) to ensure that the faculty of small, mid-sized, and minority-serving institutions who have not previously been successful in obtaining competitive grants under this subsection receive a portion of the grants; [and]

(D) to improve research, extension, and education capabilities in States (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) in which institutions have been less successful in receiving funding under this subsection, based on a 3-year rolling average of funding levels[.]*; and*

(E) to eligible entities to carry out the specific research proposals submitted under procedures established under paragraph (4)(F).

* * * * * * *

(9) MATCHING FUNDS *FOR EQUIPMENT GRANTS*.—

[(A) EQUIPMENT GRANTS.—]

[(i)] *(A)* IN GENERAL.—Except as provided in clause (ii), in the case of a grant made under paragraph (6)(A), the amount provided under this subsection may not exceed 50 percent of the cost of the special research equipment or other equipment acquired using funds from the grant.

[(ii)] *(B)* WAIVER.—The Secretary may waive all or part of the matching requirement under clause (i) in the case of a college, university, or research foundation maintained by a college or university that ranks in the lowest ⅓ of such colleges, universities, and research foundations on the basis of Federal research funds received, if the equipment to be acquired using funds from the grant costs not more than $25,000 and has multiple uses within a single research project or is usable in more than 1 research project.

[(B) APPLIED RESEARCH.—As a condition of making a grant under paragraph (5)(B), the Secretary shall require the funding of the grant to be matched with equal match-

ing funds from a non-Federal source if the grant is for applied research that is—

[(i) commodity-specific; and

[(ii) not of national scope.]

* * * * * * *

(11) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection $700,000,000 for each of fiscal years 2008 through [2012] *2017*, of which—

(i) * * *

* * * * * * *

(e) INTER-REGIONAL RESEARCH PROJECT NUMBER 4.—(1) The Secretary of Agriculture shall establish an Inter-Regional Research Project Number 4 (hereinafter referred to in this subsection as the "IR–4 Program") to assist in the collection of residue and efficacy data in support of—

(A) the registration or reregistration of [minor use pesticides] *pesticides for minor agricultural use and for use on specialty crops (as defined in section 3 of the Specialty Crop Competitiveness Act of 2004 (7 U.S.C. 1621 note)* under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.); and

* * * * * * *

(4) As part of carrying out the IR–4 Program, the Secretary shall—

(A) participate in research activities aimed at reducing residues of pesticides registered for minor agricultural use *and for use on specialty crops*;

(B) develop analytical techniques applicable to residues of pesticides registered for minor agricultural use, including automation techniques and validation of analytical methods; [and]

(C) prioritize potential pest management technology for minor agricultural use and for use on specialty crops;

(D) conduct research to develop the data necessary to facilitate pesticide registrations, reregistrations, and associated tolerances;

(E) assist in removing trade barriers caused by residues of pesticides registered for minor agricultural use and for use on domestically grown specialty crops;

(F) assist in the registration and reregistration of pest management technologies for minor agricultural use and for use on specialty crops; and

[(C)] *(G)* coordinate with other programs within the Department of Agriculture and the Environmental Protection Agency designed to develop and promote biological and other alternative control measures.

* * * * * * *

[(k) EMPHASIS ON SUSTAINABLE AGRICULTURE.—The Secretary of Agriculture shall ensure that grants made under subsections (b) and (c) are, where appropriate, consistent with the development of systems of sustainable agriculture. For purposes of this section, the term "sustainable agriculture" has the meaning given that term in

section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103).]

AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998

* * * * * * *

TITLE I—PRIORITIES, SCOPE, REVIEW, AND COORDINATION OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION

* * * * * * *

SEC. 103. RELEVANCE AND MERIT OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION FUNDED BY THE DEPARTMENT.

(a) REVIEW OF NATIONAL INSTITUTE OF FOOD AND AGRICULTURE.—

(1) * * *

(2) [MERIT REVIEW OF EXTENSION] *RELEVANCE AND MERIT REVIEW OF RESEARCH, EXTENSION,* AND EDUCATION GRANTS.—

(A) ESTABLISHMENT OF PROCEDURES.—The Secretary shall establish procedures that provide for *relevance and* merit review of each agricultural [extension or education] *research, extension, or education* grant administered, on a competitive basis, by the National Institute of Food and Agriculture.

(B) CONSULTATION WITH ADVISORY BOARD.—The Secretary shall consult with the Advisory Board in establishing the merit review procedures *on a continuous basis*.

* * * * * * *

TITLE IV—NEW AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION INITIATIVES

* * * * * * *

SEC. 406. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.

(a) * * *

* * * * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through [2012] *2017*.

[SEC. 407. COORDINATED PROGRAM OF RESEARCH, EXTENSION, AND EDUCATION TO IMPROVE VIABILITY OF SMALL AND MEDIUM SIZE DAIRY, LIVESTOCK, AND POULTRY OPERATIONS.

[(a) PROGRAM AUTHORIZED.—The Secretary of Agriculture may carry out a coordinated program of research, extension, and edu-

cation to improve the competitiveness, viability, and sustainability of small and medium size dairy, livestock, and poultry operations (referred to in this section as "operations").

[(b) COMPONENTS.—To the extent the Secretary elects to carry out the program, the Secretary shall conduct—

[(1) research, development, and on-farm extension and education concerning low-cost production facilities and practices, management systems, and genetics that are appropriate for the operations;

[(2) in the case of dairy and livestock operations, research and extension on management-intensive grazing systems for dairy and livestock production to realize the potential for reduced capital and feed costs through greater use of management skills, labor availability optimization, and the natural benefits of grazing pastures;

[(3) research and extension on integrated crop and livestock or poultry systems that increase efficiencies (including improved use of energy inputs), reduce costs, and prevent environmental pollution to strengthen the competitive position of the operations;

[(4) economic analyses and market feasibility studies to identify new and expanded opportunities for producers on the operations that provide tools and strategies to meet consumer demand in domestic and international markets, such as cooperative marketing and value-added strategies for milk, meat, and poultry production and processing; and

[(5) technology assessment that compares the technological resources of large specialized producers with the technological needs of producers on the operations to identify and transfer existing technology across all sizes and scales and to identify the specific research and education needs of the producers.

[(c) ADMINISTRATION.—The Secretary may use the funds, facilities, and technical expertise of the Agricultural Research Service and the National Institute of Food and Agriculture and other funds available to the Secretary (other than funds of the Commodity Credit Corporation) to carry out this section.]

* * * * * * *

[SEC. 409. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.

[(a) ESTABLISHMENT.—The Secretary of Agriculture, in coordination with State veterinarians and other appropriate State animal health professionals, may establish a program to conduct research, testing, and evaluation of programs for the control and management of Johne's disease in livestock.

[(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section for each of fiscal years 2003 through 2012.]

SEC. 410. GRANTS FOR YOUTH ORGANIZATIONS.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this [section such sums as are necessary for each of fiscal years 2008 through 2012.] *section*—

(1) such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) $3,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SEC. 412. SPECIALTY CROP RESEARCH INITIATIVE.

(a) * * *

(b) ESTABLISHMENT.—There is established within the Department a specialty crop research and extension initiative to address the critical needs of the specialty crop industry by developing and disseminating science-based tools to address needs of specific crops and their regions, including—

(1) research in plant breeding, genetics, [and genomics] *genomics, and other methods* to improve crop characteristics, such as—

(A) * * *

* * * * * * *

(3) efforts to improve production efficiency, *handling and processing,* productivity, and profitability over the long term (including specialty crop policy and marketing);

* * * * * * *

[(d) RESEARCH PROJECTS.—In carrying out this section, the Secretary shall award grants on a competitive basis.]

(d) RESEARCH PROJECTS.—In carrying out this section, the Secretary shall award competitive grants on the basis of—

(1) an initial scientific peer review conducted by a panel of subject matter experts from Federal agencies, non-Federal entities, and the specialty crop industry; and

(2) a final funding determination made by the Secretary based on a review and ranking for merit, relevance, and impact conducted by a panel of specialty crop industry representatives for the specific specialty crop.

* * * * * * *

(h) FUNDING.—

[(1) IN GENERAL.—Of the funds]

(1) MANDATORY FUNDING.—

(A) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section $30,000,000 for fiscal year 2008 and $50,000,000 for each of fiscal years 2009 through 2012, from which activities under each of paragraphs (1) through (5) of subsection (b) shall be allocated not less than 10 percent.

(B) SUBSEQUENT FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(i) $25,000,000 for fiscal year 2013;

(ii) $30,000,000 for each of fiscal years 2014 and 2015;

(iii) $65,000,000 for fiscal year 2016; and

(iv) $50,000,000 for fiscal year 2017 and each fiscal year thereafter.

(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds made available under paragraph (1), there is authorized to be

appropriated to carry out this section $100,000,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

TITLE VI—MISCELLANEOUS PROVISIONS

Subtitle A—Existing Authorities

* * * * * * *

SEC. 604. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.

(a) * * *

* * * * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other funds available to carry out subsection (c), there is authorized to be appropriated to carry out this section $2,500,000 for each of fiscal years 2008 through [2012] *2017*.

* * * * * * *

Subtitle B—New Authorities

* * * * * * *

[SEC. 612. NATIONAL SWINE RESEARCH CENTER.

[Subject to the availability of appropriations to carry out this section, or through a reprogramming of funds provided for swine research to carry out this section pursuant to established procedures, during the period beginning on the date of enactment of this Act and ending December 31, 1998, the Secretary of Agriculture, acting through the Agricultural Research Service, may accept as a gift, and administer, the National Swine Research Center located in Ames, Iowa.]

* * * * * * *

SEC. 614. OFFICE OF PEST MANAGEMENT POLICY.

(a) * * *

* * * * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [such sums as are necessary] to carry out this [section for each of fiscal years 1999 through 2012.] *section—*

(1) such sums as are necessary for each of fiscal years 1999 through 2012; and

(2) $3,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

[Subtitle C—Studies

[SEC. 631. EVALUATION AND ASSESSMENT OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION PROGRAMS.

[(a) EVALUATION.—The Secretary of Agriculture shall conduct a performance evaluation to determine whether federally funded agricultural research, extension, and education programs result in public goods that have national or multistate significance.

[(b) CONTRACT.—The Secretary shall enter into a contract with 1 or more entities with expertise in research assessment and performance evaluation to provide input and recommendations to the Secretary with respect to federally funded agricultural research, extension, and education programs.

[(c) GUIDELINES FOR PERFORMANCE MEASUREMENT.—The contractor selected under subsection (b) shall develop and propose to the Secretary practical guidelines for measuring performance of federally funded agricultural research, extension, and education programs. The guidelines shall be consistent with the Government Performance and Results Act of 1993 (Public Law 103–62) and amendments made by that Act.

[SEC. 632. STUDY OF FEDERALLY FUNDED AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.

[(a) STUDY.—Not later than January 1, 1999, the Secretary of Agriculture shall request the National Academy of Sciences to conduct a study of the role and mission of federally funded agricultural research, extension, and education.

[(b) REQUIREMENTS.—The study shall—

[(1) evaluate the strength of science conducted by the Agricultural Research Service and the relevance of the science to national priorities;

[(2) examine how the work of the Agricultural Research Service relates to the capacity of the agricultural research, extension, and education system of the United States;

[(3) examine the appropriateness of the formulas for the allocation of funds under the Smith-Lever Act (7 U.S.C. 341 et seq.) and the Hatch Act of 1887 (7 U.S.C. 361a et seq.) with respect to current conditions of the agricultural economy and other factors of the various regions and States of the United States and develop recommendations to revise the formulas to more accurately reflect the current conditions; and

[(4) examine the system of competitive grants for agricultural research, extension, and education.

[(c) REPORTS.—The Secretary shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

[(1) not later than 18 months after the commencement of the study, a report that describes the results of the study as it relates to paragraphs (1) and (2) of subsection (b), including any appropriate recommendations; and

[(2) not later than 3 years after the commencement of the study, a report that describes the results of the study as it relates to paragraphs (3) and (4) of subsection (b), including the

recommendations developed under paragraph (3) of subsection (b) and other appropriate recommendations.]

* * * * * * *

CRITICAL AGRICULTURAL MATERIALS ACT

* * * * * * *

SEC. 16. (a) There are authorized to be appropriated to the Secretary of Agriculture [such sums as are necessary] to carry out this [Act in each of the fiscal years 1991 through 2012.] *Act—*

(1) such sums as are necessary for each of fiscal years 1991 through 2012; and

(2) $2,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994

* * * * * * *

TITLE V—MISCELLANEOUS PROVISIONS

* * * * * * *

PART C—1994 INSTITUTIONS

* * * * * * *

SEC. 532. DEFINITION.

As used in this part, the term "1994 Institutions" means any one of the following colleges:

(1) Aaniih Nakoda College.

[(1)] *(2)* Bay Mills Community College.

[(2)] *(3)* Blackfeet Community College.

[(3)] *(4)* Cankdeska Cikana Community College.

[(8)] *(5)* Chief Dull Knife [Memorial] College.

(6) College of the Muscogee Nation.

(7) Comanche Nation College.

[(4)] *(8)* College of Menominee Nation.

[(5) Crownpoint Institute of Technology.]

[(6)] *(9)* D-Q University.

[(7)] *(10)* Dine College.

[(9)] *(11)* Fond du Lac Tribal and Community College.

[(10) Fort Belknap College.]

[(11)] *(12)* Fort Berthold Community College.

[(12)] *(13)* Fort Peck Community College.

[(13)] *(14)* Haskell Indian Nations University.

[(34)] *(15)* Ilisagvik College.

[(14)] *(16)* Institute of American Indian and Alaska Native Culture and Arts Development.

(17) Keweenaw Bay Ojibwa Community College.

[(15)] *(18)* Lac Courte Oreilles Ojibwa Community College.

[(16)] *(19)* Leech Lake Tribal College.

[(17)] *(20)* Little Big Horn College.
[(18)] *(21)* Little Priest Tribal College.
(22) Navajo Technical College.
[(19)] *(23)* Nebraska Indian Community College.
[(20)] *(24)* Northwest Indian College.
[(21)] *(25)* Oglala Lakota College.
[(22)] *(26)* Saginaw Chippewa Tribal College.
[(24)] *(27)* Salish Kootenai College.
[(25)] *(28)* Sinte Gleska University.
[(26)] *(29)* Sisseton Wahpeton [Community] College.
[(27) Si Tanka/Huron University.]
[(28)] *(30)* Sitting Bull College.
[(29)] *(31)* Southwestern Indian Polytechnic Institute.
[(30)] *(32)* Stone Child College.
[(23)] *(33)* Tohono O'odham Community College.
[(31)] *(34)* Turtle Mountain Community College.
[(32)] *(35)* United Tribes Technical College.
[(33)] *(36)* White Earth Tribal and Community College.

* * * * * * *

SEC. 533. LAND-GRANT STATUS FOR 1994 INSTITUTIONS.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1996 through [2012] *2017*. Amounts appropriated pursuant to this section shall be held and considered to have been granted to 1994 Institutions to establish an endowment pursuant to subsection (c).

* * * * * * *

SEC. 535. INSTITUTIONAL CAPACITY BUILDING GRANTS.

(a) * * *

(b) IN GENERAL.—

(1) INSTITUTIONAL CAPACITY BUILDING GRANTS.—For each of fiscal years 1996 through [2012] *2017*, the Secretary shall make two or more institutional capacity building grants to assist 1994 Institutions with constructing, acquiring, and remodeling buildings, laboratories, and other capital facilities (including fixtures and equipment) necessary to conduct instructional activities more effectively in agriculture and sciences.

* * * * * * *

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Agriculture to carry out this section, such sums as are necessary for each of fiscal years 2002 through [2012] *2017*.

SEC. 536. RESEARCH GRANTS.

(a) * * *

(b) REQUIREMENTS.—Grant applications submitted under this section shall certify that the research to be conducted will be performed under a cooperative agreement [with at least 1 other land-grant college or university (exclusive of another 1994 Institution).] *with—*

(1) the Agricultural Research Service of the Department of Agriculture; or

(2) at least 1—

(A) other land-grant college or university (exclusive of another 1994 Institution);

(B) non-land-grant college of agriculture (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or

(C) cooperating forestry school (as defined in that section).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through [2012] *2017*. Amounts appropriated shall remain available until expended.

* * * * * * *

RESEARCH FACILITIES ACT

* * * * * * *

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated such sums as are necessary for each of fiscal years 1996 through [2012] *2017* for the study, plan, design, structure, and related costs of agricultural research facilities under this Act.

* * * * * * *

RENEWABLE RESOURCES EXTENSION ACT OF 1978

* * * * * * *

APPROPRIATIONS AUTHORIZATION

SEC. 6. There is authorized to be appropriated to carry out this Act $30,000,000 for each of fiscal years 2002 through [2012] *2017*. Generally, States shall be eligible for funds appropriated under this Act according to the respective capabilities of their private forests and rangelands for yielding renewable resources and relative needs for such resources identified in the periodic Renewable Resource Assessment provided for in section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974 and the periodic appraisal of land and water resources provided for in section 5 of the Soil and Water Resources Conservation Act of 1977.

* * * * * * *

EFFECTIVE DATE

SEC. 8. The provisions of this Act shall be effective for the period beginning October 1, 1978, and ending September 30, [2012] *2017*.

NATIONAL AQUACULTURE ACT OF 1980

* * * * * * *

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 10. For purposes of carrying out the provisions of this Act, there are authorized to be appropriated—

(1) to the Department of Agriculture, $1,000,000 for each of fiscal years 1991 through [2012] *2017*;

(2) to the Department of Commerce, $1,000,000 for each of fiscal years 1991 through [2012] *2017*; and

(3) to the Department of Interior, $1,000,000 for each of fiscal years 1991 through [2012] *2017*.

Funds authorized by this section shall be in addition to, and not in lieu of, funds authorized by any other Act.

* * * * * * *

SECTION 8 OF PUBLIC LAW 87–788

SEC. 8. The term "State" as used in this subchapter shall include Puerto Rico, the Virgin Islands, [and Guam] *Guam, and the Commonwealth of the Northern Mariana Islands*.

SECTION 308 OF THE FEDERAL CROP INSURANCE REFORM AND DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994

SEC. 308. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.

(a) * * *

(b) REQUIREMENTS.—

(1) * * *

* * * * * * *

(6) TERMINATION OF AUTHORITY.—This section and the authority provided by this section terminate—

(A) on the date that is [5 years] *9 years* after the date of enactment of this section; or

* * * * * * *

(d) ADMINISTRATION.—

(1) * * *

(2) REPORTS.—Not later than [1, 3, and 5 years] *5, 7, and 9 years* after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the implementation of the program under this section, including—

(A) * * *

* * * * * * *

ACT OF MARCH 4, 1927

* * * * * * *

SEC. 6. CONCESSIONS, FEES, AND VOLUNTARY SERVICES.

(a) IN GENERAL.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) and sec-

tion 321 of the Act of June 30, 1932 (40 U.S.C. 303b), the Secretary of Agriculture, in furtherance of the mission of the National Arboretum, may—

(1) negotiate agreements granting concessions at the National Arboretum to nonprofit scientific or educational organizations the interests of which are complementary to the mission of the National Arboretum *or nonprofit organizations that support the purpose of the National Arboretum*, except that the net proceeds of the organizations from the concessions shall be used exclusively for research and educational work for the benefit of the National Arboretum;

* * * * * * *

(d) RECOGNITION OF DONORS.—A non-profit organization granted a concession under subsection (a)(1) may recognize donors if such recognition is approved in advance by the Secretary.

* * * * * * *

COOPERATIVE FORESTRY ASSISTANCE ACT OF 1978

* * * * * * *

[SEC. 4. FOREST LAND ENHANCEMENT PROGRAM.

[(a) ESTABLISHMENT.—

[(1) IN GENERAL.—The Secretary of Agriculture shall establish a forest land enhancement program—

[(A) to provide financial assistance to State foresters; and

[(B) to encourage the long-term sustainability of nonindustrial private forest lands in the United States by assisting the owners of nonindustrial private forest lands, through State foresters, in more actively managing the nonindustrial private forest lands and related resources of those owners through the use of State, Federal, and private sector resource management expertise, financial assistance, and educational programs.

[(2) COORDINATION AND CONSULTATION.—The Secretary, acting through State foresters, shall implement the program—

[(A) in coordination with the State Forest Stewardship Coordinating Committees; and

[(B) in consultation with other Federal, State, and local natural resource management agencies, institutions of higher education, and a broad range of private sector interests.

[(b) PROGRAM OBJECTIVES.—In implementing the program, the Secretary shall target resources to achieve the following objectives:

[(1) Investing in practices to establish, restore, protect, manage, maintain, and enhance the health and productivity of the nonindustrial private forest lands in the United States for timber, habitat for flora and fauna, soil, water, and air quality, wetlands, and riparian buffers.

[(2) Ensuring that afforestation, reforestation, improvement of poorly stocked stands, timber stand improvement, practices necessary to improve seedling growth and survival, and growth enhancement practices occur where needed to enhance and

sustain the long-term productivity of timber and nontimber forest resources to help meet future public demand for all forest resources and provide environmental benefits.

[(3) Reducing the risks and helping restore, recover, and mitigate the damage to forests caused by fire, insects, invasive species, disease, and damaging weather.

[(4) Increasing and enhancing carbon sequestration opportunities.

[(5) Enhancing implementation of agroforestry practices.

[(6) Maintaining and enhancing the forest landbase and leverage State and local financial and technical assistance to owners that promote the same conservation and environmental values.

[(7) Preserving the aesthetic quality of nonindustrial private forest lands and providing opportunities for outdoor recreation.

[(c) STATE PRIORITY PLAN.—

[(1) DEVELOPMENT.—The State Forester and State Forest Stewardship Coordinating Committee of a State shall jointly develop and submit to the Secretary a State priority plan that is intended to promote forest management objectives in that State.

[(2) REPORT.—Not later than September 30, 2006, each State that implemented a State priority plan shall submit to the Secretary a report describing the status of all activities and practices funded under the program as of that date.

[(d) OWNER ELIGIBILITY FOR ASSISTANCE.—

[(1) ELIGIBILITY CRITERIA.—To be eligible for cost-share assistance under the program, an owner of nonindustrial private forest lands shall agree—

[(A) to develop and implement, in cooperation with a State forester, another State official, or a professional resources manager, a management plan that—

[(i) except as provided in paragraph (2) or (3), provides for the treatment of not more than 1,000 acres of nonindustrial private forest lands;

[(ii) is approved by the State forester; and

[(iii) addresses site specific activities and practices; and

[(B) to implement approved activities and practices in a manner consistent with the management plan for a period of not less than 10 years, unless the State forester approves a modification to the plan.

[(2) PUBLIC BENEFIT EXCEPTION.—The Secretary may increase the acreage limitation specified in paragraph (1)(A)(i) to not more than 5,000 acres for an owner of nonindustrial private forest lands if the Secretary, in consultation with the State forester, determines that significant public benefits will accrue as a result of the provision of cost-share assistance under the program for the treatment of the additional acreage.

[(3) PLAN DEVELOPMENT EXCEPTION.—An owner may receive cost-share assistance under the program for the purpose of developing a management plan under subsection (e) that provides for the treatment of acreage in excess of the acreage limitations specified in paragraphs (1)(A)(i) and (2), except that the owner's eligibility for cost-share assistance to implement ap-

proved activities and practices under the management plan remains subject to the acreage limitation specified in paragraph (1)(A)(i) or, if the Secretary makes the determination described in paragraph (2), the acreage limitation specified in that paragraph.

[(e) MANAGEMENT PLAN.—

[(1) SUBMISSION AND CONTENT.—An owner of nonindustrial private forest lands that seeks to participate in the program shall submit to the State forester of the State in which the lands are located a management plan that—

[(A) identifies and describes projects and activities to be carried out by the owner to protect or enhance soil, water, air, range and aesthetic quality, recreation, timber, water, wetland, or fish and wildlife resources on the lands in a manner that is compatible with the objectives of the owner;

[(B) addresses any criteria established by the State and the applicable Committee; and

[(C) meets the other requirements of this section.

[(2) LANDS COVERED.—At a minimum, the management plan shall apply to those portions of the nonindustrial private forest lands of the owner on which any project or activity funded under the program will be carried out. In a case in which a project or activity may affect acreage outside the portion of the land on which the project or activity is carried out, the management plan shall apply to all lands of the owner that are in forest cover and may be affected by the project or activity.

[(f) APPROVED ACTIVITIES.—

[(1) STATE LIST.—The Secretary shall develop for each State a list of approved forest activities and practices eligible for cost-share assistance that meets the purposes of the program. The Secretary shall develop the list for a State in consultation with the State forester and the Committee for that State.

[(2) TYPES OF ACTIVITIES.—Approved activities and practices under paragraph (1) may consist of activities and practices for the following purposes:

[(A) The establishment, management, maintenance, and restoration of forests for shelterbelts, windbreaks, aesthetic quality, and other conservation purposes.

[(B) The sustainable growth and management of forests for timber production.

[(C) The restoration, use, and enhancement of forest wetland and riparian areas.

[(D) The protection of water quality and watersheds through—

[(i) the planting of trees in riparian areas; and

[(ii) the enhanced management and maintenance of native vegetation on land vital to water quality.

[(E) The management, maintenance, restoration, or development of habitat for plants, fish, and wildlife.

[(F) The control, detection, monitoring, and prevention of the spread of invasive species and pests on nonindustrial private forest lands.

[(G) The restoration of nonindustrial private forest land affected by invasive species and pests.

[(H) The conduct of other management activities, such as the reduction of hazardous fuels, that reduce the risks to forests posed by, and that restore, recover, and mitigate the damage to forests caused by, fire or any other catastrophic event, as determined by the Secretary.

[(I) The development of management plans;

[(J) The conduct of energy conservation and carbon sequestration activities.

[(K) The conduct of other activities approved by the Secretary, in consultation with the State forester and the appropriate Committees.

[(g) REIMBURSEMENT OF ELIGIBLE ACTIVITIES.—

[(1) IN GENERAL.—In the case of an eligible owner that has an approved management plan, the Secretary shall share the cost of implementing the approved activities and practices that the Secretary determines are appropriate.

[(2) RATE.—The Secretary shall determine the appropriate reimbursement rate for cost-share payments under paragraph (1) and the schedule for making those payments.

[(3) MAXIMUM COST SHARE.—The Secretary shall not make cost-share payments under this subsection to an owner in an amount in excess of 75 percent, or a lower percentage as determined by the State forester, of the total cost to the owner to implement the approved activities and practices under the management plan.

[(4) AGGREGATE PAYMENT LIMIT.—The Secretary shall determine the maximum aggregate amount of cost-share payments that an owner may receive under the program.

[(5) CONSULTATION.—The Secretary shall make determinations under this subsection in consultation with the State forester.

[(h) RECAPTURE.—

[(1) IN GENERAL.—The Secretary shall establish and implement a mechanism to recapture payments made to an owner in the event that the owner fails to implement an approved activity or practice specified in the management plan for which the owner received cost-share payments.

[(2) ADDITIONAL REMEDY.—The remedy provided in paragraph (1) is in addition to any other remedy available to the Secretary.

[(i) DISTRIBUTION OF COST-SHARE FUNDS.—The Secretary, acting through the State foresters, shall distribute funds available for cost sharing under the program only after giving appropriate consideration to the following factors:

[(1) The public benefits that would result from the distribution.

[(2) The total acreage of nonindustrial private forest lands in each State.

[(3) The potential productivity of those lands, as determined by the Secretary.

[(4) The number of owners eligible for cost sharing in each State.

[(5) The opportunities to enhance nontimber resources on those lands, including—

[(A) the protection of riparian buffers and forest wetland;

[(B) the preservation of fish and wildlife habitat;

[(C) the enhancement of soil, air, and water quality; and

[(D) the preservation of aesthetic quality and opportunities for outdoor recreation.

[(6) The anticipated demand for timber and nontimber resources in each State.

[(7) The need to improve forest health to minimize the damaging effects of catastrophic fire, insects, disease, or weather.

[(8) The need and demand for agroforestry practices in each State.

[(9) The need to maintain and enhance the forest landbase.

[(10) The need for afforestation, reforestation, and timber stand improvement.

[(j) AVAILABILITY OF FUNDS.—The Secretary shall use $100,000,000 of funds of the Commodity Credit Corporation to carry out the Program during the period beginning on the date of enactment of the Farm Security and Rural Investment Act of 2002 and ending on September 30, 2007.

[(k) DEFINITIONS.—In this section:

[(1) NONINDUSTRIAL PRIVATE FOREST LANDS.—The term "nonindustrial private forest lands" means rural lands, as determined by the Secretary, that—

[(A) have existing tree cover or are suitable for growing trees; and

[(B) are owned by any nonindustrial private individual, group, association, corporation, Indian tribe, or other private legal entity so long as the individual, group, association, corporation, tribe, or entity has definitive decision-making authority over the lands.

[(2) COMMITTEE.—The terms "State Forest Stewardship Coordinating Committee" and "Committee" means a State Forest Stewardship Coordinating Committee established under section 19(b).

[(3) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

[(4) OWNER.—The term "owner" means an owner of nonindustrial private forest land.

[(5) PROGRAM.—The term "program" means the forest land enhancement program established by this section.

[(6) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

[(7) STATE FORESTER.—The term "State forester" means the director or other head of a State Forestry Agency or equivalent State official.]

* * * * * * *

[SEC. 6. WATERSHED FORESTRY ASSISTANCE PROGRAM.

[(a) DEFINITION OF NONINDUSTRIAL PRIVATE FOREST LAND.—In this section, the term "nonindustrial private forest land" means rural land, as determined by the Secretary, that—

[(1) has existing tree cover or that is suitable for growing trees; and

[(2) is owned by any nonindustrial private individual, group, association, corporation, or other private legal entity, that has definitive decisionmaking authority over the land.

[(b) GENERAL AUTHORITY AND PURPOSE.—The Secretary, acting through the Chief of the Forest Service and (where appropriate) through the National Institute of Food and Agriculture, may provide technical, financial, and related assistance to State foresters, equivalent State officials, or cooperative extension officials at land grant colleges and universities and 1890 institutions for the purpose of expanding State forest stewardship capacities and activities through State forestry best-management practices and other means at the State level to address watershed issues on non-Federal forested land and potentially forested land.

[(c) TECHNICAL ASSISTANCE TO PROTECT WATER QUALITY.—

[(1) IN GENERAL.—The Secretary, in cooperation with State foresters or equivalent State officials, shall engage interested members of the public, including nonprofit organizations and local watershed councils, to develop a program of technical assistance to protect water quality described in paragraph (2).

[(2) PURPOSE OF PROGRAM.—The program under this subsection shall be designed—

[(A) to build and strengthen watershed partnerships that focus on forested landscapes at the State, regional, and local levels;

[(B) to provide State forestry best-management practices and water quality technical assistance directly to owners of nonindustrial private forest land;

[(C) to provide technical guidance to land managers and policymakers for water quality protection through forest management;

[(D) to complement State and local efforts to protect water quality and provide enhanced opportunities for consultation and cooperation among Federal and State agencies charged with responsibility for water and watershed management; and

[(E) to provide enhanced forest resource data and support for improved implementation and monitoring of State forestry best-management practices.

[(3) IMPLEMENTATION.—In the case of a participating State, the program of technical assistance shall be implemented by State foresters or equivalent State officials.

[(d) WATERSHED FORESTRY COST-SHARE PROGRAM.—

[(1) IN GENERAL.—The Secretary shall establish a watershed forestry cost-share program—

[(A) which shall be—

[(i) administered by the Forest Service; and

[(ii) implemented by State foresters or equivalent State officials in participating States; and

[(B) under which funds or other support provided to participating States shall be made available for State forestry best-management practices programs and watershed forestry projects.

[(2) WATERSHED FORESTRY PROJECTS.—The State forester, an equivalent State official of a participating State, or a Cooperative Extension official at a land grant college or university or

1890 institution, in coordination with the State Forest Stewardship Coordinating Committee established under section 19(b) (or an equivalent committee) for that State, shall make awards to communities, nonprofit groups, and owners of nonindustrial private forest land under the program for watershed forestry projects described in paragraph (3).

[(3) PROJECT ELEMENTS AND OBJECTIVES.—A watershed forestry project shall accomplish critical forest stewardship, watershed protection, and restoration needs within a State by demonstrating the value of trees and forests to watershed health and condition through—

[(A) the use of trees as solutions to water quality problems in urban and rural areas;

[(B) community-based planning, involvement, and action through State, local, and nonprofit partnerships;

[(C) application of and dissemination of monitoring information on forestry best-management practices relating to watershed forestry;

[(D) watershed-scale forest management activities and conservation planning; and

[(E)(i) the restoration of wetland (as defined by the States) and stream-side forests; and

[(ii) the establishment of riparian vegetative buffers.

[(4) COST-SHARING.—

[(A) FEDERAL SHARE.—

[(i) FUNDS UNDER THIS SUBSECTION.—Funds provided under this subsection for a watershed forestry project may not exceed 75 percent of the cost of the project.

[(ii) OTHER FEDERAL FUNDS.—The percentage of the cost of a project described in clause (i) that is not covered by funds made available under this subsection may be paid using other Federal funding sources, except that the total Federal share of the costs of the project may not exceed 90 percent.

[(B) FORM.—The non-Federal share of the costs of a project may be provided in the form of cash, services, or other in-kind contributions.

[(5) PRIORITIZATION.—The State Forest Stewardship Coordinating Committee for a State, or equivalent State committee, shall prioritize watersheds in that State to target watershed forestry projects funded under this subsection.

[(6) WATERSHED FORESTER.—Financial and technical assistance shall be made available to the State Forester or equivalent State official to create a State watershed or best-management practice forester position to—

[(A) lead statewide programs; and

[(B) coordinate watershed-level projects.

[(e) DISTRIBUTION.—

[(1) IN GENERAL.—Of the funds made available for a fiscal year under subsection (g), the Secretary shall use—

[(A) at least 75 percent of the funds to carry out the cost-share program under subsection (d); and

[(B) the remainder of the funds to deliver technical assistance, education, and planning, at the local level, through the State Forester or equivalent State official.

[(2) SPECIAL CONSIDERATIONS.—Distribution of funds by the Secretary among States under paragraph (1) shall be made only after giving appropriate consideration to—

[(A) the acres of agricultural land, nonindustrial private forest land, and highly erodible land in each State;

[(B) the miles of riparian buffer needed;

[(C) the miles of impaired stream segments and other impaired water bodies where forestry practices can be used to restore or protect water resources;

[(D) the number of owners of nonindustrial private forest land in each State; and

[(E) water quality cost savings that can be achieved through forest watershed management.

[(f) WILLING OWNERS.—

[(1) IN GENERAL.—Participation of an owner of nonindustrial private forest land in the watershed forestry assistance program under this section is voluntary.

[(2) WRITTEN CONSENT.—The watershed forestry assistance program shall not be carried out on nonindustrial private forest land without the written consent of the owner of, or entity having definitive decisionmaking over, the nonindustrial private forest land.

[(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2004 through 2008.]

SEC. 7. FOREST LEGACY PROGRAM.

(a) * * *

* * * * * * *

[(m) APPROPRIATION.—There are authorized to be appropriated such sums as may be necessary to carry out this section.]

(m) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

(1) such sums as are necessary for fiscal year 2012; and

(2) $55,000,000 for each of fiscal years 2013 through 2017.

SEC. 7A. COMMUNITY FOREST AND OPEN SPACE CONSERVATION PROGRAM.

(a) * * *

* * * * * * *

[(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.]

(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

(1) such sums as are necessary for fiscal year 2012; and

(2) $1,500,000 for each of fiscal years 2013 through 2017.

* * * * * * *

[SEC. 18. COOPERATIVE NATIONAL FOREST PRODUCTS MARKETING PROGRAM.

[(a) FINDINGS AND PURPOSES.—

[(1) Findings.—Congress finds that—

[(A) the health and vitality of the domestic forest products industry is important to the well-being of the economy of the United States;

[(B) the domestic forest products industry has a significant potential for expansion in both domestic and foreign markets;

[(C) many small-sized to medium-sized forest products firms lack the tools that would enable them to meet the increasing challenge of foreign competition in domestic and foreign markets; and

[(D) a new cooperative forest products marketing program will improve the competitiveness of the United States forest products industry.

[(2) PURPOSES.—The purposes of this section are to—

[(A) provide direct technical assistance to the United States forest products industry to improve marketing activities;

[(B) provide cost-share grants to States to support State and regional forest products marketing programs; and

[(C) target assistance to small-sized and medium-sized producers of solid wood and processed wood products, including pulp.

[(b) PROGRAM AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall establish a cooperative national forest products marketing program under this Act that provides—

[(A) technical assistance to States, landowners, and small-sized to medium-sized forest products firms on ways to improve domestic and foreign markets for forest products; and

[(B) grants of financial assistance with matching requirements to the States to assist in State and regional forest products marketing efforts targeted to aid small-sized to medium-sized forest products firms and private, nonindustrial forest landowners.

[(2) INTERSTATE COOPERATIVE AGREEMENTS.—Grant agreements shall encourage the establishment of interstate cooperative agreements by the States for the purpose of promoting the development of domestic and foreign markets for forest products.

[(c) LIMITATIONS.—

[(1) COOPERATION WITH OTHER FEDERAL AGENCIES.—In carrying out this section, the Secretary shall cooperate with Federal departments and agencies to avoid the duplication of efforts and to increase program efficiency.

[(2) DOMESTIC PROGRAM.—The program authorized under this section shall be carried out within the United States and not be extended to Department of Agriculture activities in foreign countries.

[(d) AUTHORIZATION FOR APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 1988 through 1991, to carry out this section.

[(e) PROGRAM REPORT.—The Secretary shall report to Congress annually on the activities taken under the marketing program established under this section. A final report including recommenda-

tions for program changes and the need and desirability of the reauthorization of this authority, and required levels of funding, shall be submitted to Congress not later than September 30, 1990.]

* * * * * * *

HEALTHY FORESTS RESTORATION ACT OF 2003

* * * * * * *

TITLE III—WATERSHED FORESTRY ASSISTANCE

* * * * * * *

[SEC. 303. TRIBAL WATERSHED FORESTRY ASSISTANCE.

[(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the "Secretary"), acting through the Chief of the Forest Service, shall provide technical, financial, and related assistance to Indian tribes for the purpose of expanding tribal stewardship capacities and activities through tribal forestry best-management practices and other means at the tribal level to address watershed issues on land under the jurisdiction of or administered by the Indian tribes.

[(b) TECHNICAL ASSISTANCE TO PROTECT WATER QUALITY.—

[(1) IN GENERAL.—The Secretary, in cooperation with Indian tribes, shall develop a program to provide technical assistance to protect water quality, as described in paragraph (2).

[(2) PURPOSE OF PROGRAM.—The program under this subsection shall be designed—

[(A) to build and strengthen watershed partnerships that focus on forested landscapes at the State, regional, tribal, and local levels;

[(B) to provide tribal forestry best-management practices and water quality technical assistance directly to Indian tribes;

[(C) to provide technical guidance to tribal land managers and policy makers for water quality protection through forest management;

[(D) to complement tribal efforts to protect water quality and provide enhanced opportunities for consultation and cooperation among Federal agencies and tribal entities charged with responsibility for water and watershed management; and

[(E) to provide enhanced forest resource data and support for improved implementation and monitoring of tribal forestry best-management practices.

[(c) WATERSHED FORESTRY PROGRAM.—

[(1) IN GENERAL.—The Secretary shall establish a watershed forestry program in cooperation with Indian tribes.

[(2) PROGRAMS AND PROJECTS.—Funds or other support provided under the program shall be made available for tribal forestry best-management practices programs and watershed forestry projects.

[(3) ANNUAL AWARDS.—The Secretary shall annually make awards to Indian tribes to carry out this subsection.

[(4) PROJECT ELEMENTS AND OBJECTIVES.—A watershed forestry project shall accomplish critical forest stewardship, watershed protection, and restoration needs within land under the jurisdiction of or administered by an Indian tribe by demonstrating the value of trees and forests to watershed health and condition through—

[(A) the use of trees as solutions to water quality problems;

[(B) application of and dissemination of monitoring information on forestry best-management practices relating to watershed forestry;

[(C) watershed-scale forest management activities and conservation planning;

[(D) the restoration of wetland and stream-side forests and the establishment of riparian vegetative buffers; and

[(E) tribal-based planning, involvement, and action through State, tribal, local, and nonprofit partnerships.

[(5) PRIORITIZATION.—An Indian tribe that participates in the program under this subsection shall prioritize watersheds in land under the jurisdiction of or administered by the Indian tribe to target watershed forestry projects funded under this subsection.

[(6) WATERSHED FORESTER.—The Secretary may provide to Indian tribes under this section financial and technical assistance to establish a position of tribal forester to lead tribal programs and coordinate small watershed-level projects.

[(d) DISTRIBUTION.—The Secretary shall devote—

[(1) at least 75 percent of the funds made available for a fiscal year under subsection (e) to the program under subsection (c); and

[(2) the remainder of the funds to deliver technical assistance, education, and planning in the field to Indian tribes.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000 for each of fiscal years 2004 through 2008.]

* * * * * * *

TITLE V—HEALTHY FORESTS RESERVE PROGRAM

* * * * * * *

SEC. 508. FUNDING.

(a) [IN GENERAL] *FISCAL YEARS 2009 THROUGH 2012*.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available $9,750,000 for each of fiscal years 2009 through 2012 to carry out this title.

(b) FISCAL YEARS 2013 THROUGH 2017.—There is authorized to be appropriated to the Secretary of Agriculture to carry out this section $9,750,000 for each of fiscal years 2013 through 2017.

(c) ADDITIONAL SOURCE OF FUNDS.—In addition to funds appropriated pursuant to the authorization of appropriations in sub-

section (b) for a fiscal year, the Secretary may use such amount of the funds appropriated for that fiscal year to carry out the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a et seq.) as the Secretary determines necessary to cover the cost of technical assistance, management, and enforcement responsibilities for land enrolled in the healthy forests reserve program pursuant to subsections (a) and (b) of section 504.

[(b)] *(d)* DURATION OF AVAILABILITY.—The funds made available under subsection (a) shall remain available until expended.

* * * * * * *

SECTION 322 OF THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

[SEC. 322. FOREST SERVICE DECISIONMAKING AND APPEALS REFORM.

[(a) IN GENERAL.—In accordance with this section, the Secretary of Agriculture, acting through the Chief of the Forest Service, shall establish a notice and comment process for proposed actions of the Forest Service concerning projects and activities implementing land and resource management plans developed under the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et seq.) and shall modify the procedure for appeals of decisions concerning such projects.

[(b) NOTICE AND COMMENT.—

[(1) NOTICE.—Prior to proposing an action referred to in subsection (a), the Secretary shall give notice of the proposed action, and the availability of the action for public comment by—

[(A) promptly mailing notice about the proposed action to any person who has requested it in writing, and to persons who are known to have participated in the decisionmaking process; and,

[(B)(i) in the case of an action taken by the Chief of the Forest Service, publishing notice of action in the Federal Register; or

[(ii) in the case of any other action referred to in subsection (a), publishing notice of the action in a newspaper of general circulation that has previously been identified in the Federal Register as the newspaper in which notice under this paragraph may be published.

[(2) COMMENT.—The Secretary shall accept comments on the proposed action within 30 days after publication of the notice in accordance with paragraph (1).

[(c) RIGHT TO APPEAL.—Not later than 45 days after the date of issuance of a decision of the Forest Service concerning actions referred to in subsection (a), a person who was involved in the public comment process under subsection (b) through submission of written or oral comments or by otherwise notifying the Forest Service of their interest in the proposed action may file an appeal.

[(d) DISPOSITION OF AN APPEAL.—

[(1) INFORMAL DISPOSITION.—

[(A) IN GENERAL.—Subject to subparagraph (B), a designated employee of the Forest Service shall offer to meet

with each individual who files an appeal in accordance with subsection (c) and attempt to dispose of the appeal.

[(B) TIME AND LOCATION OF THE MEETING.—Each meeting in accordance with subparagraph (A) shall take place—

[(i) not later than 15 days after the closing date for filing an appeal; and

[(ii) at a location designated by the Chief of the Forest Service that is in the vicinity of the lands affected by the decision.

[(2) FORMAL REVIEW.—If the appeal is not disposed of in accordance with paragraph (1), an appeals review officer designated by the Chief of the Forest Service shall review the appeal and recommend in writing, to the official responsible for deciding the appeal, the appropriate disposition of the appeal. The official responsible for deciding the appeal shall then decide the appeal. The appeals review officer shall be a line officer at least at the level of the agency official who made the initial decision on the project or activity that is under appeal, who has not participated in the initial decision and will not be responsible for implementation of the initial decision after the appeal is decided.

[(3) TIME FOR DISPOSITION.—Disposition of appeals under this subsection shall be completed not later than 30 days after the closing date for filing of an appeal, provided that the Forest Service may extend the closing date by an additional 15 days.

[(4) If the Secretary fails to decide the appeal within the 45-day period, the decision on which the appeal is based shall be deemed to be a final agency action for the purpose of chapter 7 of title 5, United States Code.

[(e) STAY.—Unless the Chief of the Forest Service determines that an emergency situation exists with respect to a decision of the Forest Service, implementation of the decision shall be stayed during the period beginning on the date of the decision—

[(1) for 45 days, if an appeal is not filed, or

[(2) for an additional 15 days after the date of the disposition of an appeal under this section, if the agency action is deemed final under subsection (d)(4).]

GLOBAL CLIMATE CHANGE PREVENTION ACT OF 1990

* * * * * * *

TITLE XXIV—GLOBAL CLIMATE CHANGE

* * * * * * *

SEC. 2405. OFFICE OF INTERNATIONAL FORESTRY.

(a) * * *

* * * * * * *

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 1996 through 2012 such sums as are necessary to carry out this section.]

(d) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated—

(1) such sums as are necessary for each of fiscal years 1996 through 2012; and

(2) $6,000,000 for each of fiscal years 2013 through 2017.

* * * * * * *

SECTION 347 OF THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

STEWARDSHIP END RESULT CONTRACTING PROJECTS

SEC. 347. (a) IN GENERAL.—Until September 30, [2013] *2017*, the Forest Service and the Bureau of Land Management, via agreement or contract as appropriate, may enter into stewardship contracting projects with private persons or other public or private entities to perform services to achieve land management goals for the national forests and the public lands that meet local and rural community needs.

* * * * * * *

FARMER-TO-CONSUMER DIRECT MARKETING ACT OF 1976

* * * * * * *

SEC. 6. FARMERS' MARKET *AND LOCAL FOOD* PROMOTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall carry out a program, to be known as the "Farmers' Market *and Local Food* Promotion Program" (referred to in this section as the "Program"), to make grants to eligible entities for projects to establish, expand, and promote [farmers' markets and to promote] direct producer-to-consumer marketing[.] *and assist in the development of local food business enterprises.*

(b) PROGRAM PURPOSES.—

[(1) IN GENERAL.—The purposes of the Program are—

[(A) to increase domestic consumption of agricultural commodities by improving and expanding, or assisting in the improvement and expansion of, domestic farmers' markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer market opportunities; and

[(B) to develop, or aid in the development of, new farmers' markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer marketing opportunities.]

(1) IN GENERAL.—The purposes of the Program are to increase domestic consumption of, and consumer access to, locally and regionally produced agricultural products by assisting in the development, improvement, and expansion of—

(A) domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, and other direct producer-to-consumer market opportunities; and

(B) local and regional food business enterprises that process, distribute, aggregate, and store locally or regionally produced food products.

* * * * * * *

(c) ELIGIBLE ENTITIES.—An entity shall be eligible to receive a grant under the Program if the entity is—

(1) an agricultural cooperative *or other agricultural business entity* or a producer network or association*, including a community supported agriculture network or association*;

* * * * * * *

(e) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applications submitted by eligible entities that include proposals for projects that—

(1) benefit underserved communities;

(2) develop market opportunities for small and mid-sized farm and ranch operations; and

(3) include a strategic plan to maximize the use of funds to build capacity for local and regional food systems in a community.

(f) FUNDS REQUIREMENTS FOR ELIGIBLE ENTITIES.—

(1) MATCHING FUNDS.—An entity receiving a grant under this section for a project to carry out a purpose described in subsection (b)(1)(B) shall provide matching funds in the form of cash or an in-kind contribution in an amount equal to 25 percent of the total cost of such project.

(2) LIMITATION ON USE OF FUNDS.—An eligible entity may not use a grant or other assistance provided under this section for the purchase, construction, or rehabilitation of a building or structure.

[(e)**]** *(g)* FUNDING.—

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—

(A) * * *

(B) $5,000,000 for each of fiscal years 2009 through 2010; **[**and**]**

(C) $10,000,000 for each of fiscal years 2011 and 2012**[**.**]***; and*

(D) $20,000,000 for each of fiscal years 2013 through 2017.

[(2) USE OF FUNDS.—Not less than 10 percent of the funds used to carry out this section in a fiscal year under paragraph (1) shall be used to support the use of electronic benefits transfers for Federal nutrition programs at farmers' markets.**]**

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2013 through 2017.

(3) USE OF FUNDS.—Of the funds made available to carry out this section for a fiscal year, 50 percent of such funds shall be used for the purposes described in subparagraph (A) of subsection (b)(1) and 50 percent of such funds shall be used for the purposes described in subparagraph (B) of such subsection.

(4) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the total amount made available to carry out

this section for a fiscal year may be used for administrative expenses.

[(3)] *(5)* INTERDEPARTMENTAL COORDINATION.—In carrying out this subsection, the Secretary shall ensure coordination between the various agencies to the maximum extent practicable.

[(4) LIMITATION.—Funds described in paragraph (2)—

[(A) may not be used for the ongoing cost of carrying out any project; and

[(B) shall only be provided to eligible entities that demonstrate a plan to continue to provide EBT card access at 1 or more farmers' markets following the receipt of the grant.]

* * * * * * *

ORGANIC FOODS PRODUCTION ACT OF 1990

* * * * * * *

TITLE XXI—ORGANIC CERTIFICATION

* * * * * * *

SEC. 2122. ADMINISTRATION.

(a) * * *

* * * * * * *

(c) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—The Secretary shall modernize database and technology systems of the national organic program.

SEC. 2122A. INVESTIGATIONS AND ENFORCEMENT.

(a) INVESTIGATION.—

(1) IN GENERAL.—The Secretary may take such investigative actions as the Secretary considers to be necessary to carry out this title—

(A) to verify the accuracy of any information reported or made available under this title; and

(B) to determine, with regard to actions, practices, or information required under this title, whether a person covered by this title has committed a violation of any provision of this title.

(2) INVESTIGATIVE POWERS.—The Secretary may administer oaths and affirmations, subpoena witnesses, compel attendance of witnesses, take evidence, and require the production of any records required to be maintained under section 2112(d) or 2116(c) that are relevant to the investigation.

(b) UNLAWFUL ACT.—It shall be unlawful and a violation of this title for any person covered by this title—

(1) to refuse to provide information required by the Secretary under this title; or

(2) to violate—

(A) a suspension or revocation of the organic certification of a producer or handler; or

(B) a suspension or revocation of the accreditation of a certifying agent.

(c) ENFORCEMENT.—

(1) SUSPENSION.—

(A) IN GENERAL.—The Secretary may, after notice and opportunity for an expedited administrative hearing, suspend the organic certification of a producer or handler, or accreditation of a certifying agent, if the Secretary has reason to believe that a person producing or handling an agricultural product, or a certifying agent, has violated or is violating any provision of this title. The decision to suspend a certification under this subparagraph by the Secretary may be appealed to a United States district court not later than 30 days after such decision is made and shall not take effect until judicial review of such decision is completed.

(B) CONTINUATION OF SUSPENSION THROUGH APPEAL.—If the Secretary determines subsequent to an investigation that a violation of this title by a person covered by this title has occurred, the suspension shall remain in effect until the Secretary issues a revocation of the certification of the person or of the accreditation of the certifying agent, covered by this title, after an expedited administrative appeal under section 2121 has been completed.

(2) REVOCATION.—After notice and opportunity for an administrative appeal under section 2121, if a violation of this title is determined to have occurred, the Secretary shall revoke the organic certification of the producer or handler, or the accreditation of the certifying agent.

(d) APPEAL.—

(1) IN GENERAL.—A revocation of a certification or an accreditation under subsection (c)(2) shall be final and conclusive unless the affected person files an appeal of the revocation, if the affected person so elects, to a United States district court as provided in section 2121(b) not later than 30 days after the date of the revocation under subsection (c)(2).

(2) STANDARD.—A revocation of a certification or an accreditation under subsection (c)(2) shall be set aside only if the revocation of such certification or such accreditation is clearly erroneous.

(e) NONCOMPLIANCE.—

(1) IN GENERAL.—If a person covered by this title fails to obey a revocation of a certification or an accreditation under subsection (c)(2) after such revocation has become final and conclusive or after the appropriate United States district court has entered a final judgment in favor of the Secretary, the United States may apply to the appropriate United States district court for enforcement of such revocation.

(2) ENFORCEMENT.—If the court determines that the revocation was lawfully made and duly served and that the person violated the revocation, the court shall enforce the revocation.

(3) CIVIL PENALTY.—If the court finds that the person violated the revocation of a certification or an accreditation under subsection (c)(2), the person shall be subject to one or more of the penalties provided in subsections (a) and (b) of section 2120.

SEC. 2123. AUTHORIZATION OF APPROPRIATIONS.

(a) * * *

(b) NATIONAL ORGANIC PROGRAM.—Notwithstanding any other provision of law, in order to carry out activities under the national organic program established under this title, there are authorized to be appropriated—

(1) * * *

* * * * * * *

(5) $11,000,000 for fiscal year 2012; [and]

(6) $11,000,000 for each of fiscal years 2013 through 2017; and

[(6)] *(7)* in addition to those amounts, such additional sums as are necessary for fiscal year 2009 and each fiscal year thereafter.

(c) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—Of the funds of the Commodity Credit Corporation and in addition to any other funds made available to carry out section 2122(c), the Secretary shall use to carry out such section $5,000,000 for fiscal year 2013, to remain available until expended.

SPECIALTY CROPS COMPETITIVENESS ACT OF 2004

* * * * * * *

TITLE I—STATE ASSISTANCE FOR SPECIALTY CROPS

SEC. 101. SPECIALTY CROP BLOCK GRANTS.

(a) AVAILABILITY AND PURPOSE OF GRANTS.—Using the funds made available under [subsection (j)] *subsection (l)*, the Secretary of Agriculture shall make grants to States for each of the fiscal years 2005 through [2012] *2017* to be used by State departments of agriculture solely to enhance the competitiveness of specialty crops.

[(b) GRANTS BASED ON VALUE OF PRODUCTION.—Subject to subsection (c), the amount of the grant for a fiscal year to a State under this section shall bear the same ratio to the total amount made available under subsection (j) for that fiscal year as the value of specialty crop production in the State during the preceding calendar year bears to the value of specialty crop production during the preceding calendar year in all States whose application for a grant for that fiscal year is accepted by the Secretary under subsection (f).]

(b) GRANTS BASED ON VALUE AND ACREAGE.—Subject to subsection (c), for each State whose application for a grant for a fiscal year that is accepted by the Secretary under subsection (f), the amount of the grant for such fiscal year to the State under this section shall bear the same ratio to the total amount made available under subsection (l)(1) for such fiscal year as—

(1) the average of the most recent available value of specialty crop production in the State and the acreage of specialty crop production in the State, as demonstrated in the most recent Census of Agriculture data; bears to

(2) the average of the most recent available value of specialty crop production in all States and the acreage of specialty crop

production in all States, as demonstrated in the most recent Census of Agriculture data.

* * * * * * *

(j) MULTISTATE PROJECTS.—Not later than 180 days after the effective date of the Federal Agriculture Reform and Risk Management Act of 2012, the Secretary of Agriculture shall issue guidance for the purpose of making grants to multistate projects under this section for projects involving—

(1) food safety;

(2) plant pests and disease;

(3) research;

(4) crop-specific projects addressing common issues; and

(5) any other area that furthers the purposes of this section, as determined by the Secretary.

(k) ADMINISTRATION.—

(1) DEPARTMENT.—The Secretary of Agriculture may not use more than 3 percent of the funds made available to carry out this section for a fiscal year for administrative expenses.

(2) STATES.—A State receiving a grant under this section may not use more than 8 percent of the funds received under the grant for a fiscal year for administrative expenses.

[(j)**]** *(l)* FUNDING.—**[**Of the funds**]**

(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make grants under this section, using—

[(1)**]** *(A)* $10,000,000 for fiscal year 2008;

[(2)**]** *(B)* $49,000,000 for fiscal year 2009; **[**and**]**

[(3)**]** *(C)* $55,000,000 for each of fiscal years 2010 through 2012**[**.**]***; and*

(D) $70,000,000 for fiscal year 2013 and each fiscal year thereafter.

(2) MULTISTATE PROJECTS.—Of the funds made available under paragraph (1), the Secretary may use to carry out subsection (j), to remain available until expended—

(A) $1,000,000 for fiscal year 2013;

(B) $2,000,000 for fiscal year 2014;

(C) $3,000,000 for fiscal year 2015;

(D) $4,000,000 for fiscal year 2016; and

(E) $5,000,000 for fiscal year 2017.

* * * * * * *

EXPORT APPLE ACT

* * * * * * *

SEC. 4. **[**Apples in**]** *(a) Apples in* less than carload lots as defined by the Secretary may, in his discretion, be shipped to any foreign country without complying with the provisions of this Act.

(b) Apples may be shipped to Canada in bulk bins without complying with the provisions of this Act.

* * * * * * *

SEC. 9. That when used in this Act—

(1) * * *

* * * * * * *

(5) The term "bulk bin" means a bin that contains a quantity of apples weighing more than 100 pounds.

* * * * * * *

AGRICULTURAL ADJUSTMENT ACT

TITLE I—AGRICULTURAL ADJUSTMENT

* * * * * * *

PART 2—COMMODITY BENEFITS

* * * * * * *

SEC. 8e. (a) Subject to the provisions of subsections (c) and (d) and notwithstanding any other provision of law, whenever a marketing order issued by the Secretary of Agriculture pursuant to section 8c of this Act contains any terms or conditions regulating the grade, size, quality, or maturity of tomatoes, raisins, olives (other than Spanish-style green olives), *olive oil,* prunes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, oranges, onions, walnuts, dates, filberts, table grapes, eggplants, kiwifruit, nectarines, clementines, plums, pistachios, apples, or caneberries (including raspberries, blackberries, and loganberries) produced in the United States the importation into the United States of any such commodity, other than dates for processing, during the period of time such order is in effect shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of such order or comparable restrictions promulgated hereunder: *Provided,* That this prohibition shall not apply to such commodities when shipped into continental United States from the Commonwealth of Puerto Rico or any Territory or possession of the United States where this Act has force and effect: *Provided further,* That whenever two or more such marketing orders regulating the same agricultural commodity produced in different areas of the United States are concurrently in effect, the importation into the United States of any such commodity, other than dates for processing, shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of the order which, as determined by the Secretary of Agriculture, regulates the commodity produced in the area with which the imported commodity is in most direct competition. Such prohibition shall not become effective until after the giving of such notice as the Secretary of Agriculture determines reasonable, which shall not be less than three days. In determining the amount of notice that is reasonable in the case of tomatoes the Secretary of Agriculture shall give due consideration to the time required for their transportation and entry into the United States after picking. Whenever the Secretary of Agriculture finds that the application of the restrictions under a marketing order to an imported commodity is not practicable because of variations in characteristics between the domestic and imported commodity he shall establish with respect to the imported commodity, other than dates for processing, such grade, size, quality, and maturity restrictions

by varieties, types, or other classifications as he finds will be equivalent or comparable to those imposed upon the domestic commodity under such order. The Secretary of Agriculture may promulgate such rules and regulations as he deems necessary, to carry out the provisions of this section. Any person who violates any provision if this section or of any rule, regulation, or order promulgated hereunder shall be subject to a forfeiture in the amount prescribed in section 8a(5) or, upon conviction, a penalty in the amount prescribed in section 8c(14) of the Act, or to both such forfeiture and penalty.

* * * * * * *

PLANT PROTECTION ACT

TITLE IV—PLANT PROTECTION ACT

* * * * * * *

Subtitle A—Plant Protection

SEC. 411. REGULATION OF MOVEMENT OF PLANT PESTS.

(a) * * *

* * * * * * *

(c) LIMITATION ON ANALYSES AND PROCEDURES FOR PERMITS.—Notwithstanding any other provision of law, the analyses or procedures required under the regulations issued by the Secretary under the Federal Plant Pest Act and continued in effect in accordance with section 438(c) shall be the only analyses or procedures required or authorized by law with respect to reviewing and taking action on an application for a permit submitted under subsection (a).

(d) ENVIRONMENTAL ANALYSIS APPLICABLE TO CERTAIN PERMITS.—Notwithstanding any other provision of law, in reviewing an application for a permit submitted under subsection (a) that is not excluded from environmental review under regulations issued by the Secretary in effect on the date of the enactment of this subsection (or any successor regulations), the Secretary shall conduct an environmental analysis described in section 411A(b)(1)(B). Such analysis shall be the only environmental analysis or procedure required or authorized by law with respect to reviewing and taking action on such an application.

[(c)**]** *(e)* AUTHORIZATION OF MOVEMENT OF PLANT PESTS BY REGULATION.—

(1) * * *

* * * * * * *

[(d)**]** *(f)* PROHIBITION OF UNAUTHORIZED MAILING OF PLANT PESTS.—

(1) * * *

* * * * * * *

[(e)**]** *(g)* REGULATIONS.—Regulations issued by the Secretary to implement subsections (a), (c), and (d) may include provisions requiring that any plant pest imported, entered, to be exported,

moved in interstate commerce, mailed, or delivered from any post office—

(1) * * *

* * * * * * *

SEC. 411A. PETITION TO DETERMINE ORGANISM NOT A PLANT PEST.

(a) PETITION.—A person may petition the Secretary for a determination that an organism that is subject to regulation by the Secretary as a plant pest under this Act is not a plant pest for purposes of this Act.

(b) REVIEW OF PETITION.—

(1) ASSESSMENT AND ANALYSIS REQUIRED.—In reviewing a petition submitted under subsection (a), the Secretary shall conduct the following with respect to an organism that is the subject of the petition:

(A) PLANT PEST RISK ASSESSMENT.—An assessment of the likelihood that such organism is a plant pest.

(B) ENVIRONMENTAL ANALYSIS.—An analysis of any likely adverse effects of such organism on the soil, water, air quality, non-target organisms, and listed threatened and endangered species and the critical habitat of such species for the environment in which such organism is likely to be grown or otherwise used under the conditions specified in such petition.

(2) DETERMINATION.—The Secretary shall issue a determination that an organism is not a plant pest for purposes of this Act if the Secretary determines, based on sound science and the plant pest risk assessment conducted under paragraph (1)(A), that an organism is not likely to be a plant pest.

(3) REVIEW PERIOD.—

(A) INITIAL REVIEW PERIOD.—Not later than one year after the date on which the Secretary determines that a petition submitted under subsection (a) is complete, the Secretary shall complete the plant pest risk assessment and the environmental analysis required under paragraph (1) and issue a determination with respect to such petition under paragraph (2).

(B) EXTENSION.—The Secretary may extend the one-year review period referred to in subparagraph (A) for a petition for one additional period of not more than 180 days if the Secretary determines that additional review is necessary. The Secretary shall notify the person who submitted the petition, in writing, of the reasons for the extension and an estimate of the time period necessary to complete the review.

(4) EFFECT OF FAILURE TO MEET TIME PERIOD.—Notwithstanding any other provision of law, if after completing the plant pest risk assessment, but not the environmental analysis, required under paragraph (1), the Secretary finds that there is no reason to believe that an organism is a plant pest and does not grant or deny a petition submitted under subsection (a) with respect to such organism within the time period required under paragraph (3), such organism shall be deemed not to be a plant pest for purposes of this Act.

(5) EFFECT ON PESTICIDE REGISTRATION.—In the case of an organism containing a plant-incorporated protectant (as defined

in section 174.3 of title 40, Code of Federal Regulations, or any successor regulation) with respect to which an application for registration of the plant-incorporated protectant is pending under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.), a determination made under paragraph (2) that an organism is not a plant pest or the deeming that an organism is not a plant pest under paragraph (4) shall not be effective until the registration of the plant-incorporated protectant contained in such organism is approved under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.). If such registration is not approved, a determination made under paragraph (2) that an organism is not a plant pest or a deeming that an organism is not a plant pest under paragraph (4) shall not become effective.

(6) SUBSEQUENT AUTHORITY TO REGULATE.—Notwithstanding a determination that an organism is not a plant pest under paragraph (2) or that such organism has been deemed not to be a plant pest under paragraph (4), the Secretary may issue a determination, based on information discovered after the date of such determination or the date on which the organism was so deemed and sound science, that an organism is a plant pest for purposes of this Act.

(7) PUBLIC NOTICE.—

(A) NOTICE.—The Secretary shall publish notice in the Federal Register of—

(i) the grant or denial of a petition submitted under subsection (a) with respect to an organism; or

(ii) the deeming that such organism is not a plant pest under paragraph (4).

(B) RISK ASSESSMENTS AND ENVIRONMENTAL ANALYSIS.—The Secretary shall provide to the person who submitted a petition under subsection (a), and make available to the public, the risk assessment and environmental analysis prepared under paragraph (1) with respect to such petition.

(c) APPLICABILITY OF ENVIRONMENTAL ANALYSIS CONDUCTED FOR PETITION TO DETERMINE ORGANISM NOT A PLANT PEST.—

(1) EXCLUSIVE ANALYSIS PERFORMED.—Notwithstanding any other provision of law, the environmental analysis required under subsection (b)(1) and as specifically described in such subsection shall be the only analysis or procedure regarding the effects on the environment of an organism that is the subject of a petition submitted under subsection (a) required or authorized by law with respect to reviewing and taking action on such a petition.

(2) PROHIBITION ON USE OF FUNDS FOR OTHER ANALYSES.—No funds made available by any Act shall be obligated, expended, or used for any analysis or procedure regarding the effects on the environment of an organism conducted for purposes of this section other than the environmental analysis required under subsection (b)(1).

(3) PROHIBITION ON SOLICITATION OF FUNDS FOR ENVIRONMENTAL ANALYSIS.—The Secretary shall not require or solicit any financial assistance from a person submitting a petition under subsection (a) for any analysis or procedure regarding the effects on the environment of an organism or for any other

analysis or procedure not specifically authorized by subsection (b)(1).

(d) USE OF DATA FROM PERMITS FOR PURPOSES OF PETITION FOR A DETERMINATION THAT AN ORGANISM NOT A PLANT PEST.—Notwithstanding any other provision of law, the Secretary shall use data collected under a permit issued by the Secretary under section 411(a) with respect to an organism, among other relevant data, for purposes of the review of a petition submitted under subsection (a) with respect to such organism.

* * * * * * *

SEC. 420. PLANT PEST AND DISEASE MANAGEMENT AND DISASTER PREVENTION.

(a) * * *

* * * * * * *

(e) NATIONAL CLEAN PLANT NETWORK.—

(1) IN GENERAL.—The Secretary shall establish a program to be known as the "National Clean Plant Network" (referred to in this subsection as the "Program").

(2) REQUIREMENTS.—Under the Program, the Secretary shall establish a network of clean plant centers for diagnostic and pathogen elimination services—

(A) to produce clean propagative plant material; and

(B) to maintain blocks of pathogen-tested plant material in sites located throughout the United States.

(3) AVAILABILITY OF CLEAN PLANT SOURCE MATERIAL.—Clean plant source material produced or maintained under the Program may be made available to—

(A) a State for a certified plant program of the State; and

(B) private nurseries and producers.

(4) CONSULTATION AND COLLABORATION.—In carrying out the Program, the Secretary shall—

(A) consult with—

(i) State departments of agriculture; and

(ii) land-grant colleges and universities and NLGCA Institutions (as those terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

(B) to the extent practicable and with input from the appropriate State officials and industry representatives, use existing Federal or State facilities to serve as clean plant centers.

[(e)**]** *(f)* FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(1) * * *

* * * * * * *

(3) $50,000,000 for fiscal year 2011; **[**and**]**

(4) $50,000,000 for fiscal year 2012 **[**and each fiscal year thereafter.**]***; and*

(5) $71,500,000 for fiscal year 2013 and each fiscal year thereafter.

(g) RELATIONSHIP TO OTHER LAW.—The use of Commodity Credit Corporation funds under this section to provide technical assistance

shall not be considered an allotment or fund transfer from the Commodity Credit Corporation for purposes of the limit on expenditures for technical assistance imposed by section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i).

* * * * * * *

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

* * * * * * *

SEC. 2. DEFINITIONS.

For purposes of this Act—

(a) * * *

* * * * * * *

(oo) VECTOR.—The term "vector" means any organism capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including mosquitoes, flies, fleas, cockroaches, *bed bugs,* or other insects and ticks, mites, or rats.

SEC. 3. REGISTRATION OF PESTICIDES.

(a) * * *

* * * * * * *

(f) MISCELLANEOUS.—

(1) * * *

* * * * * * *

(5) USE OF AUTHORIZED PESTICIDES.—Except as provided in section 402(s) of the Federal Water Pollution Control Act, the Administrator or a State may not require a permit under such Act for a discharge from a point source into navigable waters of a pesticide authorized for sale, distribution, or use under this Act, or the residue of such a pesticide, resulting from the application of such pesticide.

* * * * * * *

SEC. 4. REREGISTRATION OF REGISTERED PESTICIDES.

(a) * * *

* * * * * * *

(i) FEES.—

[(1) INITIAL FEE FOR FOOD OR FEED USE PESTICIDE ACTIVE INGREDIENTS.—The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is an active ingredient of any pesticide registered for a major food or feed use shall collectively pay a fee of $50,000 on submission of information under paragraphs (2) and (3) of subsection (d) for such ingredient.

[(2) FINAL FEE FOR FOOD OR FEED USE PESTICIDE ACTIVE INGREDIENTS.—

[(A) The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is an active ingredient of

any pesticide registered for a major food or feed use shall collectively pay a fee of $100,000—

[(i) on submission of information for such ingredient under subsection (e)(1) if data are reformatted under subsection (e)(1)(C); or

[(ii) on submission of data for such ingredient under subsection (e)(2)(B) if data are not reformatted under subsection (e)(1)(C).

[(B) The registrants of pesticides that contain an active ingredient that is listed under subsection (c)(2)(A) and that is an active ingredient of any pesticide registered for a major food or feed use shall collectively pay a fee of $150,000 at such time as the Administrator shall prescribe.

[(3) FEES FOR OTHER PESTICIDE ACTIVE INGREDIENTS.—

[(A) The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is not an active ingredient of any pesticide registered for a major food or feed use shall collectively pay fees in amounts determined by the Administrator. Such fees may not be less than one-half of, nor greater than, the fees required by paragraphs (1) and (2). A registrant shall pay such fees at the times corresponding to the times fees prescribed by paragraphs (1) and (2) are to be paid.

[(B) The registrants of pesticides that contain an active ingredient that is listed under subsection (c)(2)(A) and that is not an active ingredient of any pesticide that is registered for a major food or feed use shall collectively pay a fee of not more than $100,000 and not less than $50,000 at such time as the Administrator shall prescribe.

[(4) REDUCTION OR WAIVER OF FEES FOR MINOR USE AND OTHER PESTICIDES.—

[(A) An active ingredient that is contained only in pesticides that are registered solely for agricultural or nonagricultural minor uses, or a pesticide the value or volume of use of which is small, shall be exempt from the fees prescribed by paragraph (3).

[(B) The Administrator shall exempt any public health pesticide from the payment of the fee prescribed under paragraph (3) if, in consultation with the Secretary of Health and Human Services, the Administrator determines, based on information supplied by the registrant, that the economic return to the registrant from sales of the pesticide does not support the registration or reregistration of the pesticide.

[(C) An antimicrobial active ingredient, the production level of which does not exceed 1,000,000 pounds per year, shall be exempt from the fees prescribed by paragraph (3). For purposes of this subparagraph, the term "antimicrobial active ingredient" means any active ingredient that is contained only in pesticides that are not registered for any food or feed use and that are—

[(i) sanitizers intended to reduce the number of living bacteria or viable virus particles on inanimate surface or in water or air;

[(ii) bacteriostats intended to inhibit the growth of bacteria in the presence of moisture;

[(iii) disinfectants intended to destroy or irreversibly inactivate bacteria, fungi, or viruses on surfaces or inanimate objects;

[(iv) sterilizers intended to destroy viruses and all living bacteria, fungi, and their spores on inanimate surfaces; or

[(v) fungicides or fungistats.

[(D)(i) Notwithstanding any other provision of this subsection, in the case of a small business registrant of a pesticide, the registrant shall pay a fee for the reregistration of each active ingredient of the pesticide that does not exceed an amount determined in accordance with this subparagraph.

[(ii) If during the 3-year period prior to reregistration the average annual gross revenue of the registrant from pesticides containing such active ingredient is—

[(I) less than $5,000,000, the registrant shall pay 0.5 percent of such revenue;

[(II) $5,000,000 or more but less than $10,000,000, the registrant shall pay 1 percent of such revenue; or

[(III) $10,000,000 or more, the registrant shall pay 1.5 percent of such revenue, but not more than $150,000.

[(iii) For the purpose of this subparagraph, a small business registrant is a corporation, partnership, or unincorporated business that—

[(I) has 150 or fewer employees; and

[(II) during the 3-year period prior to reregistration, had an average annual gross revenue from chemicals that did not exceed $40,000,000.]

[(5)] *(1)* MAINTENANCE FEE.—

(A) * * *

* * * * * * *

(C) TOTAL AMOUNT OF FEES.—The amount of each fee prescribed under subparagraph (A) shall be adjusted by the Administrator to a level that will result in the collection under this paragraph of, to the extent practicable, an [aggregate amount of $22,000,000 for each of fiscal years 2008 through 2012] *aggregate amount of $27,800,000 for each of fiscal years 2013 through 2017.*

(D) MAXIMUM AMOUNT OF FEES FOR REGISTRANTS.—The maximum annual fee payable under this paragraph by—

(i) a registrant holding not more than 50 pesticide registrations [shall be $71,000 for each of fiscal years 2008 through 2012;] *shall be $115,500 for each of fiscal years 2013 through 2017;* and

(ii) a registrant holding over 50 registrations [shall be $123,000 for each of fiscal years 2008 through 2012.] *shall be $184,800 for each of fiscal years 2013 through 2017.*

(E) MAXIMUM AMOUNT OF FEES FOR SMALL BUSINESSES.—

(i) IN GENERAL.—For a small business, the maximum annual fee payable under this paragraph by—

(I) a registrant holding not more than 50 pesticide registrations [shall be $50,000 for each of fiscal years 2008 through 2012;] *shall be $70,600 for each of fiscal years 2013 through 2017;* and

(II) a registrant holding over 50 pesticide registrations [shall be $86,000 for each of fiscal years 2008 through 2012.] *shall be $122,100 for each of fiscal years 2013 through 2017.*

* * * * * * *

(F) FEE REDUCTION FOR CERTAIN SMALL BUSINESSES.—

(i) WAIVER.—Except as provided in clause (ii), the Administrator shall waive 25 percent of the fee under this paragraph applicable to the first registration of any qualified small business entity under this paragraph.

(ii) LIMITATION.—The Administrator shall not grant a waiver under clause (i) to a qualified small business entity if the Administrator determines that the entity has been formed or manipulated primarily for the purpose of qualifying for the waiver.

(iii) DEFINITION.—For purposes of this subparagraph, the term "qualified small business entity" means a corporation, partnership, or unincorporated business that—

(I) has 500 or fewer employees;

(II) during the 3-year period prior to the most recent maintenance fee billing cycle, had an average annual global gross revenue from all sources that did not exceed $10,000,000; and

(III) holds not more than 5 pesticide registrations under this paragraph.

[(F)] *(G)* The Administrator shall exempt any public health pesticide from the payment of the fee prescribed under [paragraph (3)] *this paragraph* if, in consultation with the Secretary of Health and Humans Services, the Administrator determines, based on information supplied by the registrant, that the economic return to the registrant from sales of the pesticide does not support the registration or reregistration of the pesticide.

[(G)] *(H)* If any fee prescribed by this paragraph with respect to the registration of a pesticide is not paid by a registrant by the time prescribed, the Administrator, by order and without hearing, may cancel the registration.

[(H)] *(I)* The authority provided under this paragraph shall terminate on September 30, [2012] *2017.*

[(6)] *(2)* OTHER FEES.—Except as provided in section 33, during the period beginning on the date of enactment of this section and ending on September 30, [2014] *2019*, the Administrator may not levy any other fees for the registration of a pesticide under this Act except as provided in [paragraphs (1) through (5)] *paragraph (5).*

[(7) APPORTIONMENT.—

[(A) If two or more registrants are required to pay any fee prescribed by paragraph (1), (2), or (3) with respect to a particular active ingredient, the fees for such active ingredient shall be apportioned among such registrants on the basis of the market share in United States sales of the active ingredient for the 3 calendar years preceding the date of payment of such fee, except that—

[(i) small business registrants that produce the active ingredient shall pay fees in accordance with paragraph (4)(C); and

[(ii) registrants who have no market share but who choose to reregister a pesticide containing such active ingredient shall pay the lesser of—

[(I) 15 percent of the reregistration fee; or

[(II) a proportionate amount of such fee based on the lowest percentage market share held by any registrant active in the marketplace.

In no event shall registrants who have no market share but who choose to reregister a pesticide containing such active ingredient collectively pay more than 25 percent of the total active ingredient reregistration fee.

[(B) The Administrator, by order, may require any registrant to submit such reports as the Administrator determines to be necessary to allow the Administrator to determine and apportion fees under this subsection, to determine the registrant's eligibility for a reduction or waiver of a fee, or to determine the volume usage for public health pesticides.

[(C) If any such report is not submitted by a registrant after receiving notice of such report requirement, or if any fee prescribed by this subsection (other than paragraph (5)) for an active ingredient is not paid by a registrant to the Administrator by the time prescribed under this subsection, the Administrator, by order and without hearing, may cancel each registration held by such registrant of a pesticide containing the active ingredient with respect to which the fee is imposed. The Administrator shall reapportion the fee among the remaining registrants and notify the registrants that the registrants are required to pay to the Administrator any unpaid balance of the fee within 30 days after receipt of such notice.]

* * * * * * *

(k) REREGISTRATION AND EXPEDITED PROCESSING FUND.—

(1) * * *

(2) SOURCE AND USE.—

(A) All moneys derived from fees collected by the Administrator under subsection (i) shall be deposited in the fund and shall be available to the Administrator, without fiscal year limitation, specifically to offset the costs of reregistration and expedited processing of the applications specified in paragraph (3)*, to enhance the information systems capabilities to improve the tracking of pesticide registration decisions,* and to offset the costs of registration review under section 3(g). Such moneys derived from fees may not be ex-

pended in any fiscal year to the extent such moneys derived from fees would exceed money appropriated for use by the Administrator and expended in such year for such costs of reregistration and expedited processing of such applications. The Administrator shall, prior to expending any such moneys derived from fees—

(i) effective October 1, 1997, adopt specific and cost accounting rules and procedures as approved by the General Accounting Office and the Inspector General of the Environmental Protection Agency to ensure that moneys derived from fees are allocated solely to *offset* the costs of reregistration and expedited processing of the applications specified in paragraph (3)*, to enhance the information systems capabilities to improve the tracking of pesticide registration decisions,* and to offset the costs of registration review under section 3(g) [in the same portion as appropriated funds];

(ii) prohibit the use of such moneys derived from fees to pay for any costs other than those necessary to achieve reregistration and expedited processing of the applications specified in paragraph (3)*, to enhance the information systems capabilities to improve the tracking of pesticide registration decisions,* and to offset the costs of registration review under section 3(g); and

* * * * * * *

(3) REVIEW OF INERT INGREDIENTS; EXPEDITED PROCESSING OF SIMILAR APPLICATIONS.—

(A) The Administrator shall use for each of the fiscal years 2004 through 2006, approximately $3,300,000, and for each of fiscal years [2008 through 2012, between 1/8 and 1/7] *2013 through 2017, between 1/9 and 1/8*, of the maintenance fees collected in such fiscal year to obtain sufficient personnel and resources—

(i) to review and evaluate [new] inert ingredients; and

* * * * * * *

(4) ENHANCEMENTS OF INFORMATION TECHNOLOGY SYSTEMS FOR IMPROVEMENT IN REVIEW OF PESTICIDE APPLICATIONS.—

(A) IN GENERAL.—For each of fiscal years 2013 through 2017, the Administrator shall use not more than $800,000 of the amounts made available to the Administrator in the Reregistration and Expedited Processing Fund for the activities described in subparagraph (B).

(B) ACTIVITIES.—The Administrator shall use amounts made available from such Fund to improve the information systems capabilities for the Office of Pesticide Programs to enhance tracking of pesticide registration decisions, which shall include—

(i) the electronic tracking of—

(I) registration submissions; and

(II) the status of conditional registrations;

(ii) enhancing the database for information regarding endangered species assessments for registration review;

(iii) implementing the capability to electronically review labels submitted with registration actions; and

(iv) acquiring and implementing the capability to electronically assess and evaluate confidential statements of formula submitted with registration actions.

[(4)] *(5)* UNUSED FUNDS.—Money in the fund not currently needed to carry out this section shall be—

(A) * * *

* * * * * * *

[(5)] *(6)* ACCOUNTING AND PERFORMANCE.—The Administrator shall take all steps necessary to ensure that expenditures from fees authorized by subsection (i)(5)(C)(ii) are used only [to carry out the goals established under subsection (l)] *for the purposes described in paragraphs (2), (3), and (4) and to carry out the goals established under subsection (l)*. The Reregistration and Expedited Processing Fund shall be designated as an Environmental Protection Agency component for purposes of section 3515(c) of title 31, United States Code. The annual audit required under section 3521 of such title of the financial statements of activities under this Act under section 3515(b) of such title shall include an audit of the fees collected under subsection (i)(5)(C) and disbursed, of the amount appropriated to match such fees, and of the Administrator's attainment of performance measures and goals established under subsection (l). Such an audit shall also include a review of the reasonableness of the overhead allocation and adequacy of disclosures of direct and indirect costs associated with carrying out the reregistration and expedited processing of the applications specified in paragraph (3), and the basis for and accuracy of all costs paid with moneys derived from such fees. The Inspector General shall conduct the annual audit and report the findings and recommendations of such audit to the Administrator and to the Committees on Agriculture of the House of Representatives and the Senate. The cost of such audit shall be paid for out of the fees collected under subsection (i)(5)(C).

* * * * * * *

SEC. 25. AUTHORITY OF ADMINISTRATOR.

(a) * * *

(b) EXEMPTION OF PESTICIDES.—The Administrator may exempt from the requirements of this Act by regulation any pesticide which the Administrator determines either (1) to be adequately regulated by another Federal agency, or (2) to be of a character which is unnecessary to be subject to this Act in order to carry out the purposes of this Act. *Notwithstanding the exemption of a pesticide under this subsection, the Administrator shall require the submission of efficacy data (and evaluate such data) if the pesticide is labeled for or proposed to be labeled for the control of a pest of public health significance. The Administrator shall not permit the sale or distribution of any product that is marketed, distributed, or sold with a claim that such product will control a public health pest if the efficacy data submitted under this subsection does not support such claim.*

* * * * * * *

SEC. 33. PESTICIDE REGISTRATION SERVICE FEES.

(a) * * *

(b) FEES.—

(1) * * *

* * * * * * *

(3) SCHEDULE OF COVERED APPLICATIONS AND REGISTRATION SERVICE FEES.—

(A) IN GENERAL.—Not later than 30 days after the effective date of the [Pesticide Registration Improvement Renewal Act] *Federal Agriculture Reform and Risk Management Act of 2012*, the Administrator shall publish in the Federal Register a schedule of covered pesticide registration applications and corresponding registration service fees.

(B) REPORT.—Subject to paragraph (6), the schedule shall be the same as the applicable schedule appearing in the Congressional Record on pages [S10409 through S10411, dated July 31, 2007.] *S_____ through S_____, dated _____*.

* * * * * * *

(6) FEE ADJUSTMENT.—

(A) IN GENERAL.—Effective for a covered pesticide registration application received during the period beginning on [October 1, 2008] *October 1, 2013*, and ending on [September 30, 2010] *September 30, 2015*, the Administrator shall increase by 5 percent the registration service fee payable for the application under paragraph (3).

(B) ADDITIONAL ADJUSTMENT.—Effective for a covered pesticide registration application received on or after [October 1, 2010] *October 1, 2015*, the Administrator shall increase by an additional 5 percent the registration service fee in effect as of [September 30, 2010] *September 30, 2015*.

* * * * * * *

(8) REFUNDS.—

(A) * * *

* * * * * * *

(C) DISCRETIONARY REFUNDS.—

(i) * * *

(ii) BASIS.—The Administrator may provide a refund for an application under this subparagraph—

(I) on the basis that, in reviewing the application, the Administrator has considered data submitted in support of another pesticide registration application; [or]

(II) on the basis that the Administrator completed portions of the review of the application before the effective date of this section[.]*; or*

(III) on the basis that the Administrator rejected the application under subsection (f)(4)(B).

* * * * * * *

(c) PESTICIDE REGISTRATION FUND.—

(1) * * *

* * * * * * *

(3) EXPENDITURES FROM FUND.—

(A) * * *

(B) WORKER PROTECTION.—

(i) IN GENERAL.—For each of fiscal years [2008 through 2012] *2013 through 2017*, the Administrator shall use approximately 1/17 of the amount in the Fund (but not less than $1,000,000) to enhance scientific and regulatory activities relating to worker protection.

(ii) PARTNERSHIP GRANTS.—Of the amounts in the Fund, the Administrator shall use for partnership [grants—

[(I) for each of fiscal years 2008 and 2009, $750,000; and

[(II) for each of fiscal years 2010 through 2012, $500,000.] *grants, for each of fiscal years 2013 through 2017, $500,000.*

(iii) PESTICIDE SAFETY EDUCATION PROGRAM.—Of the amounts in the Fund, the Administrator shall use $500,000 for each of fiscal years [2008 through 2012] *2013 through 2017* to carry out the pesticide safety education program.

* * * * * * *

(d) ASSESSMENT OF FEES.—

(1) * * *

(2) MINIMUM AMOUNT OF APPROPRIATIONS.—Registration service fees may not be assessed for a fiscal year under this section unless the amount of appropriations for salaries, contracts, and expenses for the functions (as in existence in fiscal year [2002] *2012*) of the Office of Pesticide Programs of the Environmental Protection Agency for the fiscal year (excluding the amount of any fees appropriated for the fiscal year) are equal to or greater than the amount of appropriations for covered functions for fiscal year [2002] *2012* (excluding the amount of any fees appropriated for the fiscal year).

* * * * * * *

[(4) COMPLIANCE.—The requirements of paragraph (2) shall have been considered to have been met for any fiscal year if the amount of appropriations for salaries, contracts, and expenses for the functions (as in existence in fiscal year 2002) of the Office of Pesticide Programs of the Environmental Protection Agency for the fiscal year (excluding the amount of any fees appropriated for the fiscal year) is not more than 3 percent below the amount of appropriations for covered functions for fiscal year 2002 (excluding the amount of any fees appropriated for the fiscal year).]

[(5)] *(4)* SUBSEQUENT AUTHORITY.—If the Administrator does not assess registration service fees under subsection (b) during any portion of a fiscal year as the result of paragraph (2) and is subsequently permitted to assess the fees under subsection (b) during the fiscal year, the Administrator shall assess and collect the fees, without any modification in rate, at any time

during the fiscal year, notwithstanding any provisions of subsection (b) relating to the date fees are to be paid.

(e) REFORMS TO REDUCE DECISION TIME REVIEW PERIODS.—To the maximum extent practicable consistent with the degrees of risk presented by pesticides and the type of review appropriate to evaluate risks, the Administrator shall identify and evaluate reforms to the pesticide registration process under this Act with the goal of reducing decision review periods in effect on the effective date of the [Pesticide Registration Improvement Act of 2003] *Federal Agriculture Reform and Risk Management Act of 2012* for pesticide registration actions for covered pesticide registration applications (including reduced risk applications).

(f) DECISION TIME REVIEW PERIODS.—

(1) IN GENERAL.—Not later than 30 days after the effective date of the [Pesticide Registration Improvement Renewal Act] *Federal Agriculture Reform and Risk Management Act of 2012*, the Administrator shall publish in the Federal Register a schedule of decision review periods for covered pesticide registration actions and corresponding registration service fees under this Act.

(2) REPORT.—The schedule shall be the same as the applicable schedule appearing in the Congressional Record on pages [S10409 through S10411, dated July 31, 2007.] *S____ through S_____, dated _____.*

* * * * * * *

(4) START OF DECISION TIME REVIEW PERIOD.—

(A) IN GENERAL.—Except as provided in subparagraphs (C), (D), and (E), in the case of a pesticide registration application accompanied by the registration service fee required under this section, the decision time review period begins 21 days after the date on which the Administrator receives the covered pesticide registration application *and fee*.

(B) [COMPLETENESS OF APPLICATION] *INITIAL CONTENT AND PRELIMINARY TECHNICAL SCREENINGS*.—

(i) IN GENERAL.—[Not later]

(I) Not later than 21 days after receiving an application and the required registration service fee, the Administrator shall conduct an initial screening of the contents of the application in accordance with clause (iii).

(II) After conducting the initial content screening described in subclause (I) and in accordance with clause (iv), the Administrator shall conduct a preliminary technical screening—

(aa) not later than 45 days after the date on which the decision time review period begins (for applications with decision time review periods of not more than 180 days); and

(bb) not later than 90 days after the date on which the decision time review period begins (for applications with decision time review periods greater than 180 days).

(ii) REJECTION.—If the Administrator determines [under clause (i) that the application does not pass

the initial screening and cannot be corrected within the 21-day period, the Administrator shall reject the application not later than 10 days after making the determination.] *at any time before the Administrator completes the preliminary technical screening under clause (i)(II) that the application failed the initial content or preliminary technical screening and the applicant does not correct such failure before the date that is 10 business days after the applicant receives a notification of the failure, the Administrator shall reject the application. The Administrator shall make every effort to provide a written notification of such rejection during the 10-day period that begins on the date the Administrator completes the preliminary technical screening.*

(iii) REQUIREMENTS OF *INITIAL CONTENT* SCREENING.—In conducting an initial *content* screening of an application, the Administrator shall determine whether—

(I) * * *

(II) the application [contains] *appears to contain* all the necessary forms, data, and draft labeling, formatted in accordance with guidance published by the Administrator.

(iv) REQUIREMENTS OF PRELIMINARY TECHNICAL SCREENING.—In conducting a preliminary technical screening of an application, the Administrator shall determine if—

(I) the application and the data and information submitted with such application are accurate and complete; and

(II) the application, data, and information are consistent with the proposed labeling and any proposal for a tolerance or exemption from the requirement for a tolerance under section 408 of the Federal Food, Drug, and Cosmetic Act, and are such that, subject to full review under the standards of this Act, could result in the granting of the application.

* * * * * * *

(k) REPORTS.—

(1) IN GENERAL.—Not later than March 1, 2005, and each March 1 thereafter through [March 1, 2014] *March 1, 2017*, the Administrator shall publish an annual report describing actions taken under this section.

(2) CONTENTS.—The report shall include—

(A) a review of the progress made in carrying out each requirement of subsections (e) and (f), including—

(i) * * *

* * * * * * *

(vi) to the extent determined appropriate by the Administrator and consistent with the authorities of the Administrator and limitations on delegation of functions by the Administrator, recommendations for—

(I) * * *

* * * * * * *

(V) the allowance and use of summaries of acute toxicity studies; [and]

(vii) the use of performance-based contracts, other contracts, and procurement to ensure that—

(I) * * *

(II) the registration program is administered in the most productive and cost effective manner practicable; *and*

(viii) the number of extensions of decision time review periods agreed to under subsection (f)(5) along with a description of the reason that the Administrator was unable to make a decision within the initial decision time review period;

* * * * * * *

(E) a review of the progress in meeting the timeline requirements for the review of antimicrobial pesticide products under section 3(h); [and]

(F) a review of the progress in carrying out the review of inert ingredients, including the number of applications pending, the number of new applications, the number of applications reviewed, staffing, and resources devoted to the review of inert ingredients and recommendations to improve the timeliness of review of inert ingredients[.]*;*

(G) a review of the progress made toward—

(i) carrying out section 4(k)(4) and the amounts from the Reregistration and Expedited Processing Fund used for the purposes described in such section;

(ii) implementing systems for the electronic tracking of registration submissions by December 31, 2013;

(iii) implementing a system for tracking the status of conditional registrations, including making non-confidential information related to such conditional registrations publicly available by December 31, 2013;

(iv) implementing enhancements to the endangered species knowledge database, including making non-confidential information related to such database publicly available;

(v) implementing the capability to electronically submit and review labels submitted with registration actions;

(vi) acquiring and implementing the capability to electronically assess and evaluate confidential statements of formula submitted with registration actions by December 31, 2014; and

(vii) facilitating public participation in certain registration actions and the registration review process by providing electronic notification to interested parties of additions to the public docket;

(H) the number of applications rejected by the Administrator under the initial content and preliminary technical screening conducted under subsection (f)(4);

(I) a review of the progress made in updating the Pesticide Incident Data System, including progress toward making the information contained in such System available to the public (as the Administrator determines is appropriate); and

(J) an assessment of the public availability of summary pesticide usage data.

* * * * * * *

(m) TERMINATION OF EFFECTIVENESS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the authority provided by this section terminates on September 30, [2012] *2017*.

(2) PHASE OUT.—

(A) FISCAL YEAR [2013] *2018*.—During fiscal year [2013,] *2018,* the requirement to pay and collect registration service fees applies, except that the level of registration service fees payable under this section shall be reduced 40 percent below the level in effect on [September 30, 2012] *September 30, 2017*.

(B) FISCAL YEAR [2014] *2019*.—During fiscal year [2014,] *2019,* the requirement to pay and collect registration service fees applies, except that the level of registration service fees payable under this section shall be reduced 70 percent below the level in effect on [September 30, 2012] *September 30, 2017*.

(C) SEPTEMBER 30, [2014] *2019*.—Effective [September 30, 2014] *September 30, 2019*, the requirement to pay and collect registration service fees terminates.

(D) DECISION REVIEW PERIODS.—

(i) PENDING APPLICATIONS.—In the case of an application received under this section before September 30, [2012] *2017*, the application shall be reviewed in accordance with subsection (f).

(ii) NEW APPLICATIONS.—In the case of an application received under this section on or after September 30, [2012] *2017*, subsection (f) shall not apply to the application.

* * * * * * *

FEDERAL FOOD, DRUG, AND COSMETIC ACT

* * * * * * *

CHAPTER IV—FOOD

* * * * * * *

TOLERANCES AND EXEMPTIONS FOR PESTICIDE CHEMICAL RESIDUES

SEC. 408. (a) * * *

* * * * * * *

(m) FEES.—

(1) * * *

* * * * * * *

(3) PROHIBITION.—During the period beginning on the effective date of the Pesticide Registration Improvement Renewal Act and ending on [September 30, 2012] *September 30, 2017*, the Administrator shall not collect any tolerance fees under paragraph (1).

* * * * * * *

FEDERAL WATER POLLUTION CONTROL ACT

* * * * * * *

TITLE IV—PERMITS AND LICENSES

* * * * * * *

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

SEC. 402. (a) * * *

* * * * * * *

(s) DISCHARGES OF PESTICIDES.—

(1) NO PERMIT REQUIREMENT.—Except as provided in paragraph (2), a permit shall not be required by the Administrator or a State under this Act for a discharge from a point source into navigable waters of a pesticide authorized for sale, distribution, or use under the Federal Insecticide, Fungicide, and Rodenticide Act, or the residue of such a pesticide, resulting from the application of such pesticide.

(2) EXCEPTIONS.—Paragraph (1) shall not apply to the following discharges of a pesticide or pesticide residue:

(A) A discharge resulting from the application of a pesticide in violation of a provision of the Federal Insecticide, Fungicide, and Rodenticide Act that is relevant to protecting water quality, if—

(i) the discharge would not have occurred but for the violation; or

(ii) the amount of pesticide or pesticide residue in the discharge is greater than would have occurred without the violation.

(B) Stormwater discharges subject to regulation under subsection (p).

(C) The following discharges subject to regulation under this section:

(i) Manufacturing or industrial effluent.

(ii) Treatment works effluent.

(iii) Discharges incidental to the normal operation of a vessel, including a discharge resulting from ballasting operations or vessel biofouling prevention.

* * * * * * *

SECTION 508 OF THE FEDERAL CROP INSURANCE ACT OF 1938

SEC. 508. CROP INSURANCE.

(a) * * *

* * * * * * *

(k) REINSURANCE.—

(1) * * *

* * * * * * *

(8) RENEGOTIATION OF STANDARD REINSURANCE AGREEMENT.—

(A) * * *

* * * * * * *

(E) 2011 REINSURANCE YEAR.—

(i) * * *

* * * * * * *

(iii) EQUITABLE RELIEF FOR SPECIALTY CROP POLICIES.—

(I) IN GENERAL.—For each of the 2011 through 2015 reinsurance years, in addition to the total amount of funding for reimbursement of administrative and operating costs that is otherwise required to be made available in each such reinsurance year pursuant to an agreement entered into by the Corporation, the Corporation shall use $41,000,000 to provide additional reimbursement with respect to eligible insurance contracts for any agricultural commodity that is not eligible for a benefit under subtitles A, B or C of title I of the Federal Agriculture Reform and Risk Management Act of 2012.

(II) TREATMENT.—Additional reimbursements made under this clause shall be included as part of the base level of administrative and operating expense reimbursement to which any limit on compensation to persons involved in the direct sale and service of any eligible crop insurance contract required under an agreement entered into by the Corporation is applied.

(III) RULE OF CONSTRUCTION.—Nothing in this clause shall be construed as statutory assent to the limit described in subclause (II).

(F) BUDGET.—

(i) IN GENERAL.—The Board shall ensure that any Standard Reinsurance Agreement negotiated under subparagraph (A)(ii), as compared to the previous Standard Reinsurance Agreement—

(I) to the maximum extent practicable, shall be budget neutral; and

(II) in no event, may significantly depart from budget neutrality.

(ii) USE OF SAVINGS.—To the extent that any budget savings is realized in the renegotiation of a Standard

Reinsurance Agreement under subparagraph (A)(ii), and the savings are determined not to be a significant departure from budget neutrality under clause (i), the savings shall be used to increase the obligations of the Corporation under subsections (e)(2) or (k)(4) or section 523.

* * * * * * *

(p) COVERAGE LEVELS BY PRACTICE.—Beginning with the 2014 crop year, a producer that produces an agricultural commodity on both dry land and irrigated land may elect a different coverage level for each production practice.

TRADE ACT OF 1974

* * * * * * *

TITLE IX—SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE

SEC. 901. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.

(a) * * *

* * * * * * *

(d) LIVESTOCK FORAGE DISASTER PROGRAM.—

(1) * * *

* * * * * * *

(3) ASSISTANCE FOR LOSSES DUE TO DROUGHT CONDITIONS.—

[(A) ELIGIBLE LOSSES.—

[(i) IN GENERAL.—An eligible] *(A) ELIGIBLE LOSSES.—An eligible* livestock producer may receive assistance under this subsection only for grazing losses for covered livestock that occur on land that—

[(I)] *(i)* is native or improved pastureland with permanent vegetative cover; or

[(II)] *(ii)* is planted to a crop planted specifically for the purpose of providing grazing for covered livestock.

[(ii) EXCLUSIONS.—An eligible livestock producer may not receive assistance under this subsection for grazing losses that occur on land used for haying or grazing under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).]

* * * * * * *

SECTION 10405 OF THE ANIMAL HEALTH PROTECTION ACT

Subtitle E—Animal Health Protection

* * * * * * *

SEC. 10405. EXPORTATION.

(a) * * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated—

(A) $1,500,000 for each of fiscal years 2008 through [2012] *2017* to carry out section 11010 of the Food, Conservation, and Energy Act of 2008; and

(B) such sums as may be necessary for each of fiscal years 2008 through [2012] *2017* to carry out this section.

* * * * * * *

SECTION 26 OF THE ANIMAL WELFARE ACT

* * * * * * *

SEC. 26. (a) SPONSORING OR EXHIBITING AN ANIMAL IN AN ANIMAL FIGHTING VENTURE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any person to knowingly sponsor or exhibit an animal in an animal fighting venture[.] *or to knowingly attend or knowingly cause a minor to attend an animal fighting venture.*

* * * * * * *

ADDITIONAL VIEWS

We greatly appreciate the work done by the Chairman and Ranking Member to advance a bipartisan farm bill. This bill makes important reforms to our agriculture and conservation policy and maintains our investment in rural communities. One item of concern, however, involves a provision that is a step toward imposing a non-tariff trade barrier to imports of olive oil. We are concerned that this provision will invite retaliation from the European Union and others against U.S. agricultural exports, negatively impacting companies around the United States.

Section 10010 of the bill amends Section 8e(a) of the Agricultural Adjustment Act to add the words "olive oil" to a list of products for which it is permissible to apply a marketing order to imports. The United States does not currently have a marketing order on olive oil. Such a change will enable certain producer groups to establish a marketing order on olive oil, and apply to have the provisions pertain to olive oil imports.

We are concerned because the United States produces little olive oil relative to what we import. The United States imports approximately ninety-eight percent of the olive oil that Americans consume. That would make olive oil unique among Section 8e commodities. For virtually every other commodity listed in Section 8e, domestic growers produce at least thirty percent of the U.S. market in that commodity, and in most cases much more. For a market that is dominated by imports, a marketing order has the potential to serve as a significant barrier.

When applied to imports, marketing orders require 100% inspection of all imports of the subject commodity. For olive oil, that would require expensive chemical and even taste testing of each of the estimated fifteen to twenty thousand lots of olive oil that the United States imports every year. This would represent a significant regulatory burden that could endanger U.S. jobs and do little to address any fraud involving olive oil labeling.

In addition to the effects new regulations would have on domestic companies, we remained concerned about the potential for trade retaliation. Roughly four-fifths of U.S. olive oil imports come from the European Union, a total of around $720 million last year. In the longterm, provoking the European Union and others, including nations we have trade agreements with, runs the risk of harming our growing agricultural export market.

As this legislation moves through the process, we look forward to working with the Chairman and Ranking Member on this important issue.

CHRIS GIBSON.
TIM JOHNSON.
RANDY HULTGREN.

DISSENTING VIEWS

Ensuring robust support for our nation's rural communities is one of our committee's most important, and challenging, tasks. As our committee and USDA continues to evaluate ways to achieve this goal, it is important that any effort to further define the eligibility of a community as "rural" for USDA's rural development programs retains the flexibility and understanding that currently exists for communities in the northeast.

Under current law, the definition of "rural" and "rural area" includes a city, town, or unincorporated area that has a population of no more than 10,000 inhabitants in the case of Water and Waste Water Disposal Grants and Direct and Guaranteed Loans or 20,000 inhabitants for Community Facility Loans and Grants. In the absence of an explicit definition for these areas the U.S. Department of Agriculture has traditionally interpreted the statute to include as eligible distinct population centers such as boroughs, villages, or other areas as unincorporated areas. These areas resulted from the unique development of the Northeast and reflect the fact that municipalities, not counties, are the prevailing jurisdictions of local governments. Villages and other such areas in the Northeast are often quasi-municipal jurisdictions whose status has been recognized by the Census Bureau as Census Designated Places within larger towns.

In 2009, the USDA's Office of General Counsel issued a legal opinion and an Administrative Notice that would have prevented these unique entities within municipalities from receiving rural grants, loans, and loan guarantees. While the USDA ultimately withdrew their findings, there is still the possibility that communities in our area may be faced with loss of eligibility for these critical programs with no explicit definition for unincorporated areas.

In the absence of an explicit definition of "rural," USDA has stated that they would like to create a national policy for rural development program eligibility definitions. Should the USDA succeed with enacting such an approach, communities in the northeast could be disproportionally affected as a result of their unique character. Given the short distance between population centers previously eligible entities would likely lose their access to critical programs, most specifically Water and Waste Water Disposal Grants and Direct and Guaranteed Loans or Community Facility Loans and Grants. Water grants and loans ensure safe drinking water, sanity sewer, and solid waste and storm drainage facilities for rural entities that otherwise would not have the financial strength to unilaterally build or upgrade such facilities. Likewise, the Community Facility Loans and Grants assist in developing essential community facilities for public use in rural areas including hospitals, fire protection, safety, as well as many other community-based initiatives that otherwise might not be possible.

During the committee's consideration of H.R. 6083, I offered an amendment that would have further clarified term "unincorporated area" to include state or municipally designated townships, villages, or boroughs as well as state, county, or municipal subdivisions such as a water and waste water or fire district, or any other separately identifiable unincorporated place that independently portrays the characteristics of a unit of general local government. Much like the current USDA guidance on the matter, my amendment would have ensured that the unique historic and rural character of northeast communities would have been maintained for the purposes of USDA's rural development programs.

While I withdrew my amendment during mark up in order to provide additional time for the committee and USDA to continue to evaluate this issue, it is our expectation that should the department move forward with an explicit definition of "rural" that it will take into consideration the unique set of circumstances of communities in the Northeast. Moving forward with a one-size-fits-all classification without the flexibility to address the needs of differing regions of the country would do irreparable damage to rural segments of the Northeast. If USDA moves forward, it should take into consideration that municipalities, not counties, are the prevailing jurisdictions of local governments. Further, any definition of "rural" should ensure that any new definition of the "unincorporated areas" retains the flexibility needed to address the needs of unique communities of regions across the country.

JOE COURTNEY.
JAMES MCGOVERN.

DISSENTING VIEWS

Title IV of H.R. 6083, the Federal Agriculture Reform and Risk Management Act (FARRM), represents poor policy and will result in less food for the most vulnerable people in the United States. Known as the Nutrition Title, the programs that make up Title IV are the safety net programs that provide food for the 44 million people that have difficulty feeding themselves and their families. The largest program in the Nutrition Title is the Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps.

SNAP is the most effective and efficient federal program. The error rate was 3.81 % in 2010, the lowest in the history of the program. And that rate continues to decrease. Yet H.R. 6083 cuts $16.5 billion from SNAP, a total that is nearly half of the cuts made in the entire bill. Indeed, these cuts directly affect the SNAP benefit because SNAP has such a low error rate, which means the vast majority of funding goes directly for food purchases. These cuts are detrimental, unnecessary and cruel, and we oppose them.

Supporters of these cuts claim that they do not affect benefits; that they are merely closing loopholes. But the facts show that these cuts will result in less food for hungry Americans.

This bill cuts three different SNAP provisions—Categorical Eligibility, the Standard Utility Allowance (SUA)/Low Income Home Energy Assistance Program (LIHEAP) connection, and the State Performance Fund.

Categorical Eligibility (CAT–EL) is a paperwork simplification process that allows states to treat poor people the same for purposes of enrollment in our safety net programs. Specifically, CAT–EL allows low-income individuals or families who are already enrolled in the Temporary Assistance for Needy Families (TANF) program, commonly referred to as welfare, to be made automatically eligible for SNAP. This means that TANF recipients do not have to go through a separate SNAP eligibility determination process. However, this does not mean that everyone enrolled in SNAP via CAT–EL actually receives a SNAP benefit. Under this program, people do not get one dollar of SNAP that they do not qualify for; instead they are simply enrolled in the program and their benefit levels are determined through the standard process.

CAT–EL saves critical time and money for the 40 states that currently participate in it, because people who are already eligible for similarly-administered benefits do not have to reapply for SNAP and states do not have to waste valuable worker hours processing paperwork for people who are already eligible based on their incomes. CAT–EL came about because of specific concerns states had about administrative procedures. Prior to the 2002 Farm Bill, states expressed concerns about the administrative burdens of administering TANF and SNAP to similar populations. USDA and

the states worked together to allow states more options for administrative flexibility, including CAT–EL. H.R. 6083 includes significant cuts to CAT–EL. Specifically, H.R. 6083 prevents states from using broad-based CAT–EL, a policy change that will result in 2 to 3 million people being cut from SNAP entirely.

The current Standard Utility Allowance and LIHEAP policy allows states to use LIHEAP and SNAP to ensure that poor people are getting access to the SNAP benefits. States provide a nominal amount of LIHEAP funds to SNAP households. SNAP households are then able to claim these LIHEAP funds as part of the SNAP deductions as set in law for decades. These deductions are used to calculate the amount of the benefit for each person or household.

Utilizing SUA the way states currently do simply streamlines a difficult and burdensome process. Under this program, people do not get one dollar of SNAP that they do not qualify for; instead, they are simply enrolled in the program and their benefit levels are determined through the standard process. The connection between the two programs reduces unnecessary paperwork for states and helps poor households claim a deduction. Without this connection, families would have to provide copies of all their utility bills, caseworkers would have to sift through them, and the entire effort would be more complicated and burdensome for states and families alike. The Standard Utility Allowance provisions in H.R. 6083 will cause 500,000 households to see their SNAP benefits cut by an average of $90 a month.

The State Performance Fund was created as a results-base program to reward states that reduce their incidents of fraud, waste and abuse and increase participation in SNAP. H.R. 6083 eliminates the State Performance Fund, ending a program that has resulted in fewer errors and more low-income eligible people being enrolled in SNAP.

The cuts in H.R. 6083 will deprive low-income Americans of nearly 1 billion meals in 2014 alone—but these cuts do not just impact SNAP. It is important to recognize that the SNAP cuts included in H.R. 6083 will cause 280,000 low-income children to be cut out of the free school lunch program.

In order to prevent these devastating cuts, we sponsored and voted for the McGovern, Baca, Pingree, Courtney, Welch, Fudge, and Sewell amendment that would have repealed $16.5 billion in cuts to SNAP included in H.R. 6083. Unfortunately, this amendment was defeated 15 to 31.

Opponents of SNAP talk about a "culture of dependency," as if getting on SNAP is a lifelong goal for some. Yet 85% of families on SNAP are making less than $24,000 a year for a family of four. The average SNAP benefit is $1.50 per meal per day, an amount that will go down in September, 2013 even without the cuts included in H.R. 6083. And the SNAP benefit does not provide one hundred percent of the food necessary to feed a hungry family in a month. In fact, the benefit is designed to be a supplement to the monthly income that a family earns. For many, SNAP is a last resort for those who have no place else to turn. To call it a "culture of dependency" implies that people are poor by choice and enjoy needing this help.

And the cuts to Title IV included in H.R. 6083 would harm Americans beyond SNAP beneficiaries. These cuts would eliminate 19,000 jobs at time when we need to be creating jobs. Food banks and charities, including many faith-based institutions, are the first line of defense against hunger and simply cannot keep up with current demand.

Millions of Americans—after spending down most of their savings, selling cars, and making other serious cuts to their own budgets—put their pride aside and accept SNAP as a way to feed their families. Yet the answer to those struggling families today, the response to the call of hunger as laid out in H.R. 6083, is to continue the outrageous practice of preying on the poor.

These cuts are immoral. They are hurtful. And they are exactly the wrong answer for people who struggle with hunger. H.R. 6083 continues the 112th Congress' practice of picking winners and losers based on income. Unfortunately, these policies will result in more hunger in America and will cause real harm to the men, women, seniors and children who rely on SNAP to put food on their tables.

JAMES P. MCGOVERN.
MARCIA L. FUDGE.
DAVID SCOTT.
PETER WELCH.
CHELLIE PINGREE.
JOE COURTNEY.

COMMITTEE CORRESPONDENCE

RALPH M. HALL, TEXAS
CHAIRMAN

EDDIE BERNICE JOHNSON, TEXAS
RANKING MEMBER

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

2321 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6301
(202) 225-6371
www.science.house.gov

September 12, 2012

The Honorable Frank Lucas
Chairman
Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515

Dear Chairman Lucas:

I am writing to you concerning the jurisdictional interest of the Committee on Science, Space, and Technology in H.R. 6083, the Federal Agriculture Reform and Risk Management Act of 2012. The bill contains several provisions which are within the Committee on Science, Space, and Technology's jurisdiction.

The Committee on Science, Space, and Technology acknowledges the importance of H.R. 6083 and the desire to bring this legislation before the House of Representatives in an expeditious manner. Therefore, while we have a valid jurisdictional claim over the bill, I agree not to request a sequential referral. This, of course, being conditional on our mutual understanding that nothing in this legislation or my decision to forgo a sequential referral waives, reduces, or otherwise affects the jurisdiction of the Committee on Science, Space, and Technology.

Additionally, the Committee on Science, Space, and Technology expressly reserves its authority to seek the appointment of conferees during any House-Senate conference that may be convened on this, or any similar legislation. I ask for your commitment to support any request by the Committee for conferees on H.R. 6083 as well as any similar or related legislation.

I ask that a copy of this letter and your response be included in the report on H.R. 6083 and also be placed in the Congressional Record during consideration of the bill on the House floor.

I look forward to working with you as we move this important measure through the legislative process.

Sincerely,

Ralph M. Hall

Ralph M. Hall
Chairman
Committee on Science, Space, and Technology

cc: The Hon. John Boehner, Speaker
The Hon. Eric Cantor, Majority Leader
The Hon. Eddie Bernice Johnson, Ranking Member, Committee on Science, Space, and Technology
The Hon. Collin Peterson, Ranking Member, Committee on Agriculture
The Hon. Thomas J. Wickham, Jr., Parliamentarian

FRANK D. LUCAS, OKLAHOMA,
CHAIRMAN
BOB GOODLATTE, VIRGINIA
VICE CHAIRMAN
TIMOTHY V. JOHNSON, ILLINOIS
STEVE KING, IOWA
RANDY NEUGEBAUER, TEXAS
K. MICHAEL CONAWAY, TEXAS
JEFF FORTENBERRY, NEBRASKA
JEAN SCHMIDT, OHIO
GLENN THOMPSON, PENNSYLVANIA
THOMAS J. ROONEY, FLORIDA
MARLIN A. STUTZMAN, INDIANA
BOB GIBBS, OHIO
AUSTIN SCOTT, GEORGIA
SCOTT R. TIPTON, COLORADO
STEVE SOUTHERLAND II, FLORIDA
ERIC A. "RICK" CRAWFORD, ARKANSAS
MARTHA ROBY, ALABAMA
TIM HUELSKAMP, KANSAS
SCOTT DesJARLAIS, TENNESSEE
RENEE L. ELLMERS, NORTH CAROLINA
CHRISTOPHER P. GIBSON, NEW YORK
RANDY HULTGREN, ILLINOIS
VICKY HARTZLER, MISSOURI
ROBERT T. SCHILLING, ILLINOIS
REID J. RIBBLE, WISCONSIN
KRISTI L. NOEM, SOUTH DAKOTA

U.S. House of Representatives
Committee on Agriculture
Room 1301, Longworth House Office Building
Washington, DC 20515–6001

(202) 225–2171
(202) 225–0917 FAX

COLLIN C. PETERSON, MINNESOTA
RANKING MINORITY MEMBER
TIM HOLDEN, PENNSYLVANIA
MIKE McINTYRE, NORTH CAROLINA
LEONARD L. BOSWELL, IOWA
JOE BACA, CALIFORNIA
DENNIS A. CARDOZA, CALIFORNIA
DAVID SCOTT, GEORGIA
HENRY CUELLAR, TEXAS
JIM COSTA, CALIFORNIA
TIMOTHY J. WALZ, MINNESOTA
KURT SCHRADER, OREGON
LARRY KISSELL, NORTH CAROLINA
WILLIAM L. OWENS, NEW YORK
CHELLIE PINGREE, MAINE
JOE COURTNEY, CONNECTICUT
PETER WELCH, VERMONT
MARCIA L. FUDGE, OHIO
GREGORIO KILILI CAMACHO SABLAN,
NORTHERN MARIANA ISLANDS
TERRI A. SEWELL, ALABAMA
JAMES P. McGOVERN, MASSACHUSETTS

NICOLE SCOTT
STAFF DIRECTOR
KEVIN J. KRAMP
CHIEF COUNSEL
ROBERT L. LAREW,
MINORITY STAFF DIRECTOR

September 12, 2012

The Honorable Ralph M. Hall
Chairman
Committee on Science, Space, and Technology
2321 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

On July 11, 2012, the Committee on Agriculture ordered reported H.R. 6083, the Federal Agricultural Reform and Risk Management Act of 2012, by a bipartisan vote. I understand that there are provisions contained within the bill that may be within the jurisdiction of the Committee on Science, Space, and Technology. I would appreciate your support in bringing this legislation before the House of Representatives in an expeditious manner and would ask that the Committee on Science, Space, and Technology forego further action on the bill.

The Committee on Agriculture understands that by foregoing further consideration of H.R. 6083 at this time, the Committee on Science, Space, and Technology does not waive any jurisdictional claim over the subject matter contained within. Further, should a conference on the bill become necessary, I would support your right to be represented on the conference committee.

If this letter reflects a mutual understanding between our committees, I would appreciate your written response and would be pleased to include a copy of our exchange of letters in the bill report filed by the Committee on Agriculture, as well as in the *Congressional Record* during floor consideration.

Thank you for your courtesy in this matter and I look forward to continued cooperation between our respective committees.

Sincerely,

Frank D. Lucas

Frank D. Lucas
Chairman

cc The Honorable John A. Boehner
The Honorable Collin C. Peterson
The Honorable Eddie Bernice Johnson
Mr. Thomas J. Wickham, Jr., Parliamentarian

U.S. House of Representatives
Committee on Transportation and Infrastructure

John L. Mica
Chairman

Washington, DC 20515

Nick J. Rahall, II
Ranking Member

James W. Coon II, Chief of Staff

September 13, 2012

James H. Zoia, Democrat Chief of Staff

The Honorable Frank D. Lucas
Chairman
Committee on Agriculture
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I write concerning H.R. 6083, the Federal Agriculture Reform and Risk Management (FARRM) Act of 2012, as amended. There are certain provisions in the legislation which fall within the Rule X jurisdiction of the Committee on Transportation and Infrastructure.

As expressed in my letter of July 31, 2012, the Committee on Transportation and Infrastructure objects to section 6206 entitled "Agricultural Transportation Policy" which was added at the Committee on Agriculture mark up of the bill. However, in order to move this important piece of legislation forward in the legislative process, the Committee will forgo action on this bill with the understanding that you will continue to work with me to fully address the Committee's objection to this provision.

Additionally, this agreement is conditional on our mutual understanding that forgoing consideration of the bill does not prejudice the Committee with respect to the appointment of conferees or to any future jurisdictional claim over the subject matters contained in the bill or similar legislation which fall within the Committee's Rule X jurisdiction. I request you urge the Speaker to name members of the Committee to any conference committee named to consider such provisions.

Please insert a copy of this letter and your response acknowledging our jurisdictional interest into the committee report on H.R. 6083 and the *Congressional Record* during any consideration of the measure on the House floor.

Sincerely,

John L. Mica
Chairman

cc: The Honorable John Boehner
The Honorable Nick J. Rahall, II
The Honorable Collin Peterson
Mr. Thomas J. Wickham, Jr., Parliamentarian

FRANK D. LUCAS, OKLAHOMA,
CHAIRMAN
BOB GOODLATTE, VIRGINIA,
VICE CHAIRMAN
TIMOTHY V. JOHNSON, ILLINOIS
STEVE KING, IOWA
RANDY NEUGEBAUER, TEXAS
K. MICHAEL CONAWAY, TEXAS
JEFF FORTENBERRY, NEBRASKA
JEAN SCHMIDT, OHIO
GLENN THOMPSON, PENNSYLVANIA
THOMAS J. ROONEY, FLORIDA
MARLIN A. STUTZMAN, INDIANA
BOB GIBBS, OHIO
AUSTIN SCOTT, GEORGIA
SCOTT R. TIPTON, COLORADO
STEVE SOUTHERLAND II, FLORIDA
ERIC A. "RICK" CRAWFORD, ARKANSAS
MARTHA ROBY, ALABAMA
TIM HUELSKAMP, KANSAS
SCOTT DesJARLAIS, TENNESSEE
RENEE L. ELLMERS, NORTH CAROLINA
CHRISTOPHER P. GIBSON, NEW YORK
RANDY HULTGREN, ILLINOIS
VICKY HARTZLER, MISSOURI
ROBERT T. SCHILLING, ILLINOIS
REID J. RIBBLE, WISCONSIN
KRISTI L. NOEM, SOUTH DAKOTA

U.S. House of Representatives

Committee on Agriculture

Room 1301, Longworth House Office Building
Washington, DC 20515–6001

(202) 225-2171
(202) 225-0917 FAX

COLLIN C. PETERSON, MINNESOTA
RANKING MINORITY MEMBER
TIM HOLDEN, PENNSYLVANIA
MIKE McINTYRE, NORTH CAROLINA
LEONARD L. BOSWELL, IOWA
JOE BACA, CALIFORNIA
DENNIS A. CARDOZA, CALIFORNIA
DAVID SCOTT, GEORGIA
HENRY CUELLAR, TEXAS
JIM COSTA, CALIFORNIA
TIMOTHY J. WALZ, MINNESOTA
KURT SCHRADER, OREGON
LARRY KISSELL, NORTH CAROLINA
WILLIAM L. OWENS, NEW YORK
CHELLIE PINGREE, MAINE
JOE COURTNEY, CONNECTICUT
PETER WELCH, VERMONT
MARCIA L. FUDGE, OHIO
GREGORIO KILILI CAMACHO SABLAN,
NORTHERN MARIANA ISLANDS
TERRI A. SEWELL, ALABAMA
JAMES P. McGOVERN, MASSACHUSETTS

NICOLE SCOTT,
STAFF DIRECTOR
KEVIN J. KRAMP,
CHIEF COUNSEL
ROBERT L. LAREW,
MINORITY STAFF DIRECTOR

September 13, 2012

The Honorable John L. Mica
Chairman
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for your letter regarding the Committee on Transportation and Infrastructure's jurisdictional interest in H.R. 6083, the Federal Agriculture Reform and Risk Management (FARRM) Act of 2012, as amended, and your willingness to facilitate consideration of this bill.

I agree that the Committee on Transportation and Infrastructure has a valid jurisdictional interest in certain provisions of H.R. 6083 and that the committee's jurisdiction will not be adversely affected by your decision to forgo further consideration of the bill. In addition, as the bill moves forward in the legislative process I will work with you to fully address the Committee on Transportation and Infrastructure's objection to section 6206 entitled "Agricultural Transportation Policy". As you requested, I will support your request for an appropriate appointment of conferees from your committee in the event of a House-Senate conference on this or similar legislation should such a conference be convened.

Finally, I will include a copy of your letter and this response into the committee report on H.R. 6083 and into the *Congressional Record* during consideration of the measure on the House floor. Thank you again for your cooperation.

Sincerely,

Frank D. Lucas

Frank D. Lucas
Chairman

cc: The Honorable John A. Boehner
The Honorable Collin C. Peterson
The Honorable Nick J. Rahall, II
Mr. Thomas J. Wickham, Jr., Parliamentarian

APPENDIX

TABLE 1. — REGISTRATION DIVISION — NEW ACTIVE INGREDIENTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R010	1	New Active Ingredient, Food use (2) (3)	24	569,221
R020	2	New Active Ingredient, Food use; reduced risk (2) (3)	18	569,221
R040	3	New Active Ingredient, Food use; Experimental Use Permit application; establish temporary tolerance; submitted before application for registration; credit 45% of fee toward new active ingredient application that follows (3)	18	419,502
R060	4	New Active Ingredient, Non-food use; outdoor (2) (3)	21	395,467
R070	5	New Active Ingredient, Non-food use, outdoor, reduced risk (2) (3)	16	395,467
R090	6	New Active Ingredient, Non-food use; outdoor; Experimental Use Permit application; submitted before application for registration; credit 45% of fee toward new active ingredient (3)	16	293,596
R110	7	New Active Ingredient, Non-food use; indoor (2) (3)	20	219,949
R120	8	New Active Ingredient, Non-food use; indoor, reduced risk (2) (3)	14	219,949
R121	9	New Active Ingredient, Non-food use, indoor; Experimental Use Permit application; submitted before application for registration; credit 45% of fee toward new active ingredient application that follows (3)	18	165,375
R122	10	Enriched isomer(s) of registered mixed-isomer active ingredient (2) (3)	18	287,643
R123	11	New Active Ingredient, Seed treatment only; includes agricultural and non-agricultural seeds; residues not expected in raw agricultural commodities (2) (3)	18	427,991
R125 New	12	New Active Ingredient, Seed treatment; Experimental Use Permit application; submitted before application for registration; credit 45% of fee toward new active ingredient application that follows (3)	16	293,596

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package The base fee for the category covers a maximum of five new products. Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application

(3) Where the action involves approval of a new or amended label, on or before the end date of the

TABLE 1. — REGISTRATION DIVISION — NEW ACTIVE INGREDIENTS				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency				

TABLE 2. — REGISTRATION DIVISION — NEW USES

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R130	13	First food use; indoor; food/food handling (2) (3)	21	173,644
R140	14	Additional food use; Indoor; food/food handling (3) (4)	15	40,518
R150	15	First food use (2) (3)	21	239,684
R160	16	First food use; reduced risk (2) (3)	16	239,684
R170	17	Additional food use (3) (4)	15	59,976
R175 New	18	Additional food uses covered within a crop group resulting from the conversion of existing approved crop group(s) to one or more revised crop groups. (3) (4)	10	59,976
R180	19	Additional food use; reduced risk (3) (4)	10	59,976
R190	20	Additional food uses; 6 or more submitted in one application (3) (4)	15	359,856
R200	21	Additional food uses, 6 or more submitted in one application; reduced risk (3) (4)	10	359,856
R210	22	Additional food use; Experimental Use Permit application; establish temporary tolerance; no credit toward new use registration (3) (4)	12	44,431
R220	23	Additional food use; Experimental Use Permit application, crop destruct basis; no credit toward new use registration (3) (4)	6	17,993
R230	24	Additional use; non-food, outdoor (3) (4)	15	23,969
R240	25	Additional use, non-food; outdoor, reduced risk (3) (4)	10	23,969
R250	26	Additional use, non-food; outdoor; Experimental Use Permit application; no credit toward new use registration (3) (4)	6	17,993
R251 New	27	Experimental Use Permit application which requires no changes to the tolerance(s), non-crop destruct basis (3)	8	17,993
R260	28	New use; non-food; indoor (3) (4)	12	11,577
R270	29	New use; non-food; indoor; reduced risk (3) (4)	9	11,577
R271	30	New use, non-food; indoor; Experimental Use Permit application; no credit toward new use registration (3) (4)	6	8,820
R273	31	Additional use; seed treatment; limited uptake into raw agricultural commodities; includes crops with established tolerances (e.g., for soil or foliar application); includes food or non-food uses (3) (4)	12	45,754
R274	32	Additional uses; seed treatment only; 6 or more submitted in one application, limited uptake into raw agricultural commodities; includes crops with established tolerances (e.g , for soil or foliar application); includes food and/or non-food uses (3) (4)	12	274,523

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package. The base fee for the category covers a maximum of five new products. Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time. In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active

TABLE 2. — REGISTRATION DIVISION — NEW USES				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use. Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application				
(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency.				
(4) Amendment applications to add the new use(s) to registered product labels are covered by the base fee for the new use(s). All items in the covered application must be submitted together in one package. Each application for an additional new product registration and new inert approval(s) that is submitted in the new use application package is subject to the registration service fee for a new product or a new inert approval. However, if a new use application only proposes to register the new use for a new product and there are no amendments in the application, then review of one new product application is covered by the new use fee. All such associated applications that are submitted together will be subject to the new use decision review time. Any application for a new product or an amendment to the proposed labeling (a) submitted subsequent to submission of the new use application and (b) prior to conclusion of its decision review time and (c) containing the same new uses, will be deemed a separate new-use application, subject to a separate registration service fee and new decision review time for a new use. If the new-use application includes non-food (indoor and/or outdoor), and food (outdoor and/or indoor) uses, the appropriate fee is due for each type of new use and the longest decision review time applies to all of the new uses requested in the application Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screen, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new use application.				

TABLE 3. — REGISTRATION DIVISION — IMPORT AND OTHER TOLERANCES				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R280	33	Establish import tolerance; new active ingredient or first food use (2)	21	289,407
R290	34	Establish import tolerance; additional food use	15	57,882
R291	35	Establish import tolerances; additional food uses; 6 or more crops submitted in one petition	15	347,288
R292	36	Amend an established tolerance (e.g., decrease or increase); domestic or import; applicant-initiated	11	41,124
R293	37	Establish tolerance(s) for inadvertent residues in one crop; applicant-initiated	12	48,510
R294	38	Establish tolerances for inadvertent residues; 6 or more crops submitted in one application; applicant-initiated	12	291,060
R295	39	Establish tolerance(s) for residues in one rotational crop in response to a specific rotational crop application; applicant-initiated	15	59,976
R296	40	Establish tolerances for residues in rotational crops in response to a specific rotational crop petition; 6 or more crops submitted in one application, applicant-initiated	15	359,856
R297 New	41	Amend 6 or more established tolerances (e g , decrease or increase) in one petition; domestic or import, applicant-initiated	11	246,744
R298 New	42	Amend an established tolerance (e g., decrease or increase), domestic or import; submission of amended labels (requiring science review) in addition to those associated with the amended tolerance; applicant-initiated (3)	13	53,120
R299 New	43	Amend 6 or more established tolerances (e.g., decrease or increase); domestic or import; submission of amended labels (requiring science review) in addition to those associated with the amended tolerance, applicant-initiated (3)	13	258,740

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package. The base fee for the category covers a maximum of five new products. Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time. In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application

(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any

TABLE 3. — REGISTRATION DIVISION — IMPORT AND OTHER TOLERANCES				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency.				

TABLE 4. — REGISTRATION DIVISION — NEW PRODUCTS				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R300	44	New product; or similar combination product (already registered) to an identical or substantially similar in composition and use to a registered product; registered source of active ingredient; no data review on acute toxicity, efficacy or CRP – only product chemistry data; cite-all data citation, or selective data citation where applicant owns all required data, or applicant submits specific authorization letter from data owner. Category also includes 100% re-package of registered end-use or manufacturing-use product that requires no data submission nor data matrix (2) (3)	4	1,434
R301	45	New product; or similar combination product (already registered) to an identical or substantially similar in composition and use to a registered product; registered source of active ingredient; selective data citation only for data on product chemistry and/or acute toxicity and/or public health pest efficacy, where applicant does not own all required data and does not have a specific authorization letter from data owner (2) (3)	4	1,720
R310	46	New end-use or manufacturing-use product with registered source(s) of active ingredient(s); includes products containing two or more registered active ingredients previously combined in other registered products; requires review of data package within RD only, includes data and/or waivers of data for only: • product chemistry and/or • acute toxicity and/or • public health pest efficacy and/or • child resistant packaging. (2) (3)	7	4,807
R314 New	47	New end use product containing two or more registered active ingredients never before registered as this combination in a formulated product, new product label is identical or substantially similar to the labels of currently registered products which separately contain the respective component active ingredients, requires review of data package within RD only; includes data and/or waivers of data for only • product chemistry and/or • acute toxicity and/or • public health pest efficacy and/or• child resistant packaging. (2) (3)	8	6,009
R315 New	48	New end-use non-food animal product with submission of two or more target animal safety studies; includes data and/or waivers of data for only: • product chemistry and/or • acute toxicity and/or • public health pest efficacy and/or • animal safety studies and/or • child resistant packaging (2) (3)	9	8,000
R320	49	New product; new physical form, requires data review in science divisions (2) (3)	12	11,996
R331	50	New product; repack of identical registered end-use product as a manufacturing-use product; same registered uses only (2) (3)	3	2,294

TABLE 4. — REGISTRATION DIVISION — NEW PRODUCTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R332	51	New manufacturing-use product; registered active ingredient; unregistered source of active ingredient; submission of completely new generic data package; registered uses only; requires review in RD and science divisions (2) (3)	24	256,883
R333 New	52	New product; MUP or End use product with unregistered source of active ingredient; requires science data review; new physical form; etc. Cite-all or selective data citation where applicant owns all required data. (2) (3)	10	17,993
R334 New	53	New product; MUP or End use product with unregistered source of the active ingredient; requires science data review; new physical form, etc. Selective data citation. (2) (3)	11	17,993

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) An application for a new end-use product using a source of active ingredient that (a) is not yet registered but (b) has an application pending with the Agency for review, will be considered an application for a new product with an unregistered source of active ingredient.

(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency

TABLE 5. — REGISTRATION DIVISION — AMENDMENTS TO REGISTRATION

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
R340	54	Amendment requiring data review within RD (e.g., changes to precautionary label statements) (2) (3)	4	3,617
R345 New	55	Amending non-food animal product that includes submission of target animal safety data; previously registered (2) (3)	7	8,000
R350	56	Amendment requiring data review in science divisions (e.g., changes to REI, or PPE, or PHI, or use rate, or number of applications, or add aerial application; or modify GW/SW advisory statement) (2) (3)	9	11,996
R351 New	57	Amendment adding a new unregistered source of active ingredient. (2) (3)	8	11,996
R352 New	58	Amendment adding already approved uses; selective method of support; does not apply if the applicant owns all cited data (2) (3)	8	11,996
R371	59	Amendment to Experimental Use Permit; (does not include extending a permit's time period) (3)	6	9,151

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) (a) EPA-initiated amendments shall not be charged registration service fees. (b) Registrant-initiated fast-track amendments are to be completed within the timelines specified in FIFRA Section 3(c)(3)(B) and are not subject to registration service fees. (c) Registrant-initiated fast-track amendments handled by the Antimicrobials Division are to be completed within the timelines specified in FIFRA Section 3(h) and are not subject to registration service fees (d) Registrant initiated amendments submitted by notification under PR Notices, such as PR Notice 98–10, continue under PR Notice timelines and are not subject to registration service fees (e) Submissions with data and requiring data review are subject to registration service fees.

(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency

TABLE 6. — REGISTRATION DIVISION — OTHER ACTIONS				
EPA No.	**New CR No.**	**Action**	**Decision Review Time (Months) (1)**	**Registration Service Fee ($)**
R124	60	Conditional Ruling on Preapplication Study Waivers; applicant-initiated	6	2,294
R272	61	Review of Study Protocol applicant-initiated; excludes DART, pre-registration conference, Rapid Response review, DNT protocol review, protocol needing HSRB review	3	2,294
R275 New	62	Rebuttal of agency reviewed protocol, applicant initiated	3	2,294
R370	63	Cancer reassessment; applicant-initiated	18	179,818
(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.				

TABLE 7. — ANTIMICROBIALS DIVISION — NEW ACTIVE INGREDIENTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
A380	64	Food use; establish tolerance exemption (2) (3)	24	104,187
A390	65	Food use; establish tolerance (2) (3)	24	173,644
A400	66	Non-food use; outdoor; FIFRA §2(mm) uses (2) (3)	18	86,823
A410	67	Non-food use; outdoor, uses other than FIFRA §2(mm) (2) (3)	21	173,644
A420	68	Non-food use; indoor; FIFRA §2(mm) uses (2) (3)	18	57,882
A430	69	Non-food use; indoor; uses other than FIFRA §2(mm) (2) (3)	20	86,823
A431	70	Non-food use; indoor; low-risk, low-toxicity food-grade active ingredient(s); efficacy testing for public health claims required under GLP and following DIS/TSS or AD-approved study protocol (2) (3)	12	60,638

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package. The base fee for the category covers a maximum of five new products Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application.

(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s), or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency

TABLE 8. — ANTIMICROBIALS DIVISION — NEW USES

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
A440	71	First food use; establish tolerance exemption (2) (3) (4)	21	28,942
A450	72	First food use; establish tolerance (2) (3) (4)	21	86,823
A460	73	Additional food use, establish tolerance exemption (3) (4) (5)	15	11,577
A470	74	Additional food use; establish tolerance (3) (4) (5)	15	28,942
A471 New	75	Additional food uses, establish tolerances; 6 or more submitted in one application (3) (4) (5)	15	173,652
A480	76	Additional use; non-food; outdoor; FIFRA §2(mm) uses (4) (5)	9	17,365
A481 New	77	Additional non-food outdoor uses; FIFRA §2(mm) uses; 6 or more submitted in one application (4) (5)	9	104,190
A490	78	Additional use; non-food; outdoor; uses other than FIFRA §2(mm) (4) (5)	15	28,942
A491 New	79	Additional non-food; outdoor; uses other than FIFRA §2(mm); 6 or more submitted in one application (4) (5)	15	173,652
A500	80	Additional use; non-food, indoor, FIFRA §2(mm) uses (4) (5)	9	11,577
A501 New	81	Additional non-food; indoor; FIFRA §2(mm) uses; 6 or more submitted in one application (4) (5)	9	69,462
A510	82	Additional use; non-food; indoor; uses other than FIFRA §2(mm) (4) (5)	12	11,577
A511 New	83	Additional non-food, indoor; uses other than FIFRA §2(mm); 6 or more submitted in one application (4) (5)	12	69,462

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package The base fee for the category covers a maximum of five new products. Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time. In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.
Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application

(3) If EPA data rules are amended to newly require clearance under section 408 of the FFDCA for an ingredient of an antimicrobial product where such ingredient was not previously subject to such a clearance, then review of the data for such clearance of such product is not subject to a registration service fee for the tolerance action for two years from the effective date of the rule

(4) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be

TABLE 8. — ANTIMICROBIALS DIVISION — NEW USES				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency.				
(5) Amendment applications to add the new use(s) to registered product labels are covered by the base fee for the new use(s). All items in the covered application must be submitted together in one package. Each application for an additional new product registration and new inert approval(s) that is submitted in the new use application package is subject to the registration service fee for a new product or a new inert approval. However, if a new use application only proposes to register the new use for a new product and there are no amendments in the application, then review of one new product application is covered by the new use fee All such associated applications that are submitted together will be subject to the new use decision review time. Any application for a new product or an amendment to the proposed labeling (a) submitted subsequent to submission of the new use application and (b) prior to conclusion of its decision review time and (c) containing the same new uses, will be deemed a separate new-use application, subject to a separate registration service fee and new decision review time for a new use If the new-use application includes non-food (indoor and/or outdoor), and food (outdoor and/or indoor) uses, the appropriate fee is due for each type of new use and the longest decision review time applies to all of the new uses requested in the application. Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screen, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new use application.				

TABLE 9. — ANTIMICROBIALS DIVISION — NEW PRODUCTS AND AMENDMENTS				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
A530	84	New product; identical or substantially similar in composition and use to a registered product; no data review or only product chemistry data; cite-all data citation, or selective data citation when applicant owns all required data, or applicant submits specific authorization letter for data owner. Category also includes 100% re-package of registered end-use or manufacturing-use product that requires no data submission nor data matrix. (2) (3)	4	1,159
A531	85	New product; identical or substantially similar in composition and use to a registered product; registered source of active ingredient: selective data citation only for data on product chemistry and/or acute toxicity and/or public health pest efficacy, where applicant does not own all required data and does not have a specific authorization letter from data owner. (2) (3)	4	1,654
A532	86	New product; identical or substantially similar in composition and use to a registered product, registered active ingredient; unregistered source of active ingredient; cite-all data citation except for product chemistry; product chemistry data submitted (2) (3)	5	4,631
A540	87	New end use product; FIFRA §2(mm) uses only (2) (3)	5	4,631
A550	88	New end-use product; uses other than FIFRA §2(mm), non-FQPA product (2) (3)	7	4,631
A560	89	New manufacturing-use product; registered active ingredient; selective data citation (2) (3)	12	17,365
A570	90	Label amendment requiring data review (3) (4)	4	3,474
A572 New	91	New Product or amendment requiring data review for risk assessment by Science Branch (e.g., changes to REI, or PPE, or use rate) (2) (3) (4)	9	11,996

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) An application for a new end-use product using a source of active ingredient that (a) is not yet registered but (b) has an application pending with the Agency for review, will be considered an application for a new product with an unregistered source of active ingredient

(3) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency.

(4) (a) EPA-initiated amendments shall not be charged registration service fees. (b) Registrant-initiated fast-track amendments are to be completed within the timelines specified in FIFRA Section 3(c)(3)(B) and are not subject to registration service fees. (c) Registrant-initiated fast-track amendments handled by the Antimicrobials Division are to be completed within the timelines specified in FIFRA Section 3(h) and are

TABLE 9. — ANTIMICROBIALS DIVISION — NEW PRODUCTS AND AMENDMENTS				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
not subject to registration service fees. (d) Registrant initiated amendments submitted by notification under PR Notices, such as PR Notice 98–10, continue under PR Notice timelines and are not subject to registration service fees. (e) Submissions with data and requiring data review are subject to registration service fees				

TABLE 10. — ANTIMICROBIALS DIVISION — EXPERIMENTAL USE PERMITS AND OTHER TYPE OF ACTIONS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
A520	92	Experimental Use Permit application, Non-Food Use (2)	9	5,789
A521	93	Review of public health efficacy study protocol within AD, per AD Internal Guidance for the Efficacy Protocol Review Process; Code will also include review of public health efficacy study protocol and data review for devices making pesticidal claims; applicant-initiated; Tier 1	3	2,250
A522	94	Review of public health efficacy study protocol outside AD by members of AD Efficacy Protocol Review Expert Panel; Code will also include review of public health efficacy study protocol and data review for devices making pesticidal claims; applicant-initiated; Tier 2	12	11,025
A524 New	95	New Active Ingredient, Experimental Use Permit application; Food Use Requires Tolerance Credit 45% of fee toward new active ingredient application that follows. (2)	18	138,916
A525 New	96	New Active Ingredient, Experimental Use Permit application; Food Use Requires Tolerance Exemption. Credit 45% of fee toward new active ingredient application that follows (2)	18	83,594
A526 New	97	New Active Ingredient, Experimental Use Permit application; Non-Food, Outdoor Use. Credit 45% of fee toward new active ingredient application that follows. (2)	15	86,823
A527 New	98	New Active Ingredient, Experimental Use Permit application, Non-Food, Indoor Use. Credit 45% of fee toward new active ingredient application that follows. (2)	15	58,000
A528 New	99	Experimental Use Permit application, Food Use; Requires Tolerance or Tolerance Exemption (2)	15	20,260
A529 New	100	Amendment to Experimental Use Permit, requires data review or risk assessment (2)	9	10,365
A523 New	101	Review of protocol other than a public health efficacy study (i.e., Toxicology or Exposure Protocols)	9	11,025
A571 new	102	Science reassessment: Cancer risk, refined ecological risk, and/or endangered species; applicant-initiated	18	86,823

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label, or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency.

TABLE 11. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — MICROBIAL AND BIOCHEMICAL PESTICIDES; NEW ACTIVE INGREDIENTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B580	103	New active ingredient; food use, petition to establish a tolerance (2)	19	46,305
B590	104	New active ingredient; food use; petition to establish a tolerance exemption (2)	17	28,942
B600	105	New active ingredient; non-food use (2)	13	17,365
B610	106	New active ingredient; Experimental Use Permit application; petition to establish a temporary tolerance or temporary tolerance exemption	10	11,577
B611 New	107	New active ingredient; Experimental Use Permit application; petition to establish permanent tolerance exemption	12	11,577
B612 New	108	New active ingredient; no change to a permanent tolerance exemption (2)	10	15,918
B613 New	109	New active ingredient; petition to convert a temporary tolerance or a temporary tolerance exemption to a permanent tolerance or tolerance exemption (2)	11	15,918
B620	110	New active ingredient; Experimental Use Permit application; non-food use including crop destruct	7	5,789

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application The application must be received by the agency in one package The base fee for the category covers a maximum of five new products Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time, except where the new inert approval decision review time is greater than that for the new active ingredient, in which case the associated new active ingredient will be subject to the new inert approval decision review time. In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application.

TABLE 12. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — MICROBIAL AND BIOCHEMICAL PESTICIDES; NEW USES

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B630	111	First food use; petition to establish a tolerance exemption (2)	13	11,577
B631	112	New food use, petition to amend an established tolerance (3)	12	11,577
B640	113	First food use; petition to establish a tolerance (2)	19	17,365
B643 New	114	New Food use; petition to amend tolerance exemption (3)	10	11,577
B642 New	115	First food use; indoor; food/food handling (2)	12	28,942
B644 New	116	New use, no change to an established tolerance or tolerance exemption (3)	8	11,577
B650	117	New use, non-food (3)	7	5,789

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package The base fee for the category covers a maximum of five new products. Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application.

(3) Amendment applications to add the new use(s) to registered product labels are covered by the base fee for the new use(s). All items in the covered application must be submitted together in one package. Each application for an additional new product registration and new inert approval(s) that is submitted in the new use application package is subject to the registration service fee for a new product or a new inert approval. However, if a new use application only proposes to register the new use for a new product and there are no amendments in the application, then review of one new product application is covered by the new use fee. All such associated applications that are submitted together will be subject to the new use decision review time Any application for a new product or an amendment to the proposed labeling (a) submitted subsequent to submission of the new use application and (b) prior to conclusion of its decision review time and (c) containing the same new uses, will be deemed a separate new-use application, subject to a separate registration service fee and new decision review time for a new use If the new-use application includes non-food (indoor and/or outdoor), and food (outdoor and/or indoor) uses, the appropriate fee is due for each type of new use and the longest decision review time applies to all of the new uses requested in the application.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screen, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new use application.

TABLE 13. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — MICROBIAL AND BIOCHEMICAL PESTICIDES; NEW PRODUCTS				
EPA No.	**New CR No.**	**Action**	**Decision Review Time (Months) (1)**	**Registration Service Fee ($)**
B652 New	118	New product; registered source of active ingredient; requires petition to amend established tolerance or tolerance exemption; requires 1) submission of product specific data; or 2) citation of previously reviewed and accepted data; or 3) submission or citation of data generated at government expense; or 4) submission or citation of scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement; or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply (2)	13	11,577
B660	119	New product; registered source of active ingredient(s); identical or substantially similar in composition and use to a registered product; no change in an established tolerance or tolerance exemption. No data review, or only product chemistry data; cite-all data citation, or selective data citation where applicant owns all required data or authorization from data owner is demonstrated Category includes 100% re-package of registered end-use or manufacturing-use product that requires no data submission or data matrix. For microbial pesticides, the active ingredient(s) must not be re-isolated. (2)	4	1,159
B670	120	New product, registered source of active ingredient(s), no change in an established tolerance or tolerance exemption, requires: 1) submission of product specific data; or 2) citation of previously reviewed and accepted data; or 3) submission or citation of data generated at government expense, or 4) submission or citation of a scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement, or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply (2)	7	4,631
B671	121	New product; unregistered source of active ingredient(s); requires a petition to amend an established tolerance or tolerance exemption; requires 1) submission of product specific data; or 2) citation of previously reviewed and accepted data, or 3) submission or citation of data generated at government expense; or 4) submission or citation of a scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement, or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply. (2)	17	11,577

TABLE 13. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — MICROBIAL AND BIOCHEMICAL PESTICIDES; NEW PRODUCTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B672	122	New product; unregistered source of active ingredient(s); non-food use or food use with a tolerance or tolerance exemption previously established for the active ingredient(s); requires. 1) submission of product specific data; or 2) citation of previously reviewed and accepted data; or 3) submission or citation of data generated at government expense; or 4) submission or citation of a scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement, or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply. (2)	13	8,269
B673 New	123	New product MUP/EP; unregistered source of active ingredient(s); citation of Technical Grade Active Ingredient (TGAI) data previously reviewed and accepted by the Agency. Requires an Agency determination that the cited data supports the new product. (2)	10	4,631
B674 New	124	New product MUP; Repack of identical registered end-use product as a manufacturing-use product; same registered uses only (2)	4	1,159
B675 New	125	New Product MUP; registered source of active ingredient; submission of completely new generic data package; registered uses only. (2)	10	8,269
B676 New	126	New product; more than one active ingredient where one active ingredient is an unregistered source; product chemistry data must be submitted; requires: 1) submission of product specific data, and 2) citation of previously reviewed and accepted data; or 3) submission or citation of data generated at government expense; or 4) submission or citation of a scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement; or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply. (2)	13	8,269
B677 New	127	New end-use non-food animal product with submission of two or more target animal safety studies; includes data and/or waivers of data for only: • product chemistry and/or • acute toxicity and/or • public health pest efficacy and/or • animal safety studies and/or • child resistant packaging (2)	10	8,000

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day

(2) An application for a new end-use product using a source of active ingredient that (a) is not yet registered but (b) has an application pending with the Agency for review, will be considered an application for a new product with an unregistered source of active ingredient

TABLE 14. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — MICROBIAL AND BIOCHEMICAL PESTICIDES; AMENDMENTS

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B621	128	Amendment; Experimental Use Permit; no change to an established temporary tolerance or tolerance exemption.	7	4,631
B622 New	129	Amendment; Experimental Use Permit; petition to amend an established or temporary tolerance or tolerance exemption.	11	11,577
B641	130	Amendment of an established tolerance or tolerance exemption	13	11,577
B680	131	Amendment; registered source of active ingredient(s); no new use(s); no changes to an established tolerance or tolerance exemption. Requires data submission. (2)	5	4,631
B681	132	Amendment; unregistered source of active ingredient(s). Requires data submission. (2)	7	5,513
B683 New	133	Label amendment; requires review/update of previous risk assessment(s) without data submission (e.g , labeling changes to REI, PPE, PHI). (2)	6	4,631
B684 New	134	Amending non-food animal product that includes submission of target animal safety data; previously registered (2)	8	8,000

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) (a) EPA-initiated amendments shall not be charged registration service fees. (b) Registrant-initiated fast-track amendments are to be completed within the timelines specified in FIFRA Section 3(c)(3)(B) and are not subject to registration service fees. (c) Registrant-initiated fast-track amendments handled by the Antimicrobials Division are to be completed within the timelines specified in FIFRA Section 3(h) and are not subject to registration service fees. (d) Registrant initiated amendments submitted by notification under PR Notices, such as PR Notice 98–10, continue under PR Notice timelines and are not subject to registration service fees. (e) Submissions with data and requiring data review are subject to registration service fees

TABLE 15. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — STRAIGHT CHAIN LEPIDOPTERAN PHEROMONES(SCLPS)

EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B690	135	New active ingredient; food or non-food use (2)	7	2,316
B700	136	Experimental Use Permit application; new active ingredient or new use.	7	1,159
B701	137	Extend or amend Experimental Use Permit.	4	1,159
B710	138	New product; registered source of active ingredient(s); identical or substantially similar in composition and use to a registered product; no change in an established tolerance or tolerance exemption No data review, or only product chemistry data; cite-all data citation, or selective data citation where applicant owns all required data or authorization from data owner is demonstrated. Category includes 100% re-package of registered end-use or manufacturing-use product that requires no data submission or data matrix (3)	4	1,159
B720	139	New product; registered source of active ingredient(s); requires. 1) submission of product specific data; or 2) citation of previously reviewed and accepted data; or 3) submission or citation of data generated at government expense; or 4) submission or citation of a scientifically-sound rationale based on publicly available literature or other relevant information that addresses the data requirement; or 5) submission of a request for a data requirement to be waived supported by a scientifically-sound rationale explaining why the data requirement does not apply. (3)	5	1,159
B721	140	New product; unregistered source of active ingredient (3)	7	2,426
B722	141	New use and/or amendment; petition to establish a tolerance or tolerance exemption. (4) (5)	7	2,246
B730	142	Label amendment requiring data submission (4)	5	1,159

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day

(2) All requests for new uses (food and/or nonfood) contained in any application for a new active ingredient or a first food use are covered by the base fee for that new active ingredient or first food use application and retain the same decision time review period as the new active ingredient or first food use application. The application must be received by the agency in one package. The base fee for the category covers a maximum of five new products Each application for an additional new product registration and new inert approval that is submitted in the new active ingredient application package or first food use application package is subject to the registration service fee for a new product or a new inert approval. All such associated applications that are submitted together will be subject to the new active ingredient or first food use decision review time, except where the new inert approval decision review time is greater than that for the new active ingredient, in which case the associated new active ingredient will be subject to the new inert approval decision review time. In the case of a new active ingredient application, until that new active ingredient is approved, any subsequent application for another new product containing the same active ingredient or an amendment to the proposed labeling will be deemed a new active ingredient application, subject to the registration service fee and decision review time for a new active ingredient. In the case of a first food use application, until that first food use is approved, any subsequent application for an additional new food use or uses will be subject to the registration service fee and decision review time for a first food use.

Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screening, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new active ingredient or first food use application.

TABLE 15. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — STRAIGHT CHAIN LEPIDOPTERAN PHEROMONES(SCLPS)				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
(3) An application for a new end-use product using a source of active ingredient that (a) is not yet registered but (b) has an application pending with the Agency for review, will be considered an application for a new product with an unregistered source of active ingredient.				
(4) (a) EPA-initiated amendments shall not be charged registration service fees. (b) Registrant-initiated fast-track amendments are to be completed within the timelines specified in FIFRA Section 3(c)(3)(B) and are not subject to registration service fees (c) Registrant-initiated fast-track amendments handled by the Antimicrobials Division are to be completed within the timelines specified in FIFRA Section 3(h) and are not subject to registration service fees. (d) Registrant initiated amendments submitted by notification under PR Notices, such as PR Notice 98–10, continue under PR Notice timelines and are not subject to registration service fees. (e) Submissions with data and requiring data review are subject to registration service fees.				
(5) Amendment applications to add the new use(s) to registered product labels are covered by the base fee for the new use(s) All items in the covered application must be submitted together in one package Each application for an additional new product registration and new inert approval(s) that is submitted in the new use application package is subject to the registration service fee for a new product or a new inert approval. However, if a new use application only proposes to register the new use for a new product and there are no amendments in the application, then review of one new product application is covered by the new use fee. All such associated applications that are submitted together will be subject to the new use decision review time. Any application for a new product or an amendment to the proposed labeling (a) submitted subsequent to submission of the new use application and (b) prior to conclusion of its decision review time and (c) containing the same new uses, will be deemed a separate new-use application, subject to a separate registration service fee and new decision review time for a new use. If the new-use application includes non-food (indoor and/or outdoor), and food (outdoor and/or indoor) uses, the appropriate fee is due for each type of new use and the longest decision review time applies to all of the new uses requested in the application.Any information that (a) was neither requested nor required by the Agency, and (b) is submitted by the applicant at the applicant's initiative to support the application after completion of the technical deficiency screen, and (c) is not itself a covered registration application, must be assessed 25% of the full registration service fee for the new use application.				

TABLE 16. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — OTHER ACTIONS				
EPA No.	**New CR No.**	**Action**	**Decision Review Time (Months) (1)**	**Registration Service Fee ($)**
B614 New	143	Conditional Ruling on Preapplication Study Waivers; applicant-initiated	3	2,294
B615 New	144	Rebuttal of agency reviewed protocol, applicant initiated	3	2,294
B682	145	Protocol review; applicant initiated, excludes time for HSRB review	3	2,205
(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day				

TABLE 17. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — PLANT INCORPORATED PROTECTANTS (PIPS)				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B740	146	Experimental Use Permit application; no petition for tolerance/tolerance exemption. Includes: 1) non-food/feed use(s) for a new (2) or registered (3) PIP; 2) food/feed use(s) for a new or registered PIP with crop destruct; 3) food/feed use(s) for a new or registered PIP in which an established tolerance/tolerance exemption exists for the intended use(s). (4)	6	86,823
B750	147	Experimental Use Permit application; with a petition to establish a temporary or permanent tolerance/tolerance exemption for the active ingredient Includes new food/feed use for a registered (3) PIP. (4)	9	115,763
B770	148	Experimental Use Permit application; new (2) PIP; with petition to establish a temporary tolerance/tolerance exemption for the active ingredient, credit 75% of B771 fee toward registration application for a new active ingredient that follows; SAP review. (5)	15	173,644
B771	149	Experimental Use Permit application; new (2) PIP, with petition to establish a temporary tolerance/tolerance exemption for the active ingredient, credit 75% of B771 fee toward registration application for a new active ingredient that follows.	10	115,763
B772	150	Application to amend or extend an Experimental Use Permit; no petition since the established tolerance/tolerance exemption for the active ingredient is unaffected	3	11,577
B773	151	Application to amend or extend an Experimental Use Permit; with petition to extend a temporary tolerance/tolerance exemption for the active ingredient.	5	28,942
B780	152	Registration application; new (2) PIP; non-food/feed	12	144,704
B790	153	Registration application; new (2) PIP, non-food/feed, SAP review. (5)	18	202,585
B800	154	Registration application; new (2) PIP; with petition to establish permanent tolerance/tolerance exemption for the active ingredient based on an existing temporary tolerance/tolerance exemption.	12	231,585
B810	155	Registration application; new (2) PIP, with petition to establish permanent tolerance/tolerance exemption for the active ingredient based on an existing temporary tolerance/tolerance exemption. SAP review. (5)	18	289,407
B820	156	Registration application, new (2) PIP, with petition to establish or amend a permanent tolerance/tolerance exemption of an active ingredient.	15	289,407
B840	157	Registration application; new (2) PIP; with petition to establish or amend a permanent tolerance/tolerance exemption of an active ingredient. SAP review. (5)	21	347,288
B851	158	Registration application; new event of a previously registered PIP active ingredient(s); no petition since permanent tolerance/tolerance exemption is already established for the active ingredient(s)	9	115,763

TABLE 17. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — PLANT INCORPORATED PROTECTANTS (PIPS)				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
B870	159	Registration application; registered (3) PIP; new product; new use; no petition since a permanent tolerance/tolerance exemption is already established for the active ingredient(s). (4)	9	34,729
B880	160	Registration application; registered (3) PIP; new product or new terms of registration; additional data submitted; no petition since a permanent tolerance/tolerance exemption is already established for the active ingredient(s). (6) (7)	9	28,942
B881	161	Registration application; registered (3) PIP; new product or new terms of registration, additional data submitted, no petition since a permanent tolerance/tolerance exemption is already established for the active ingredient(s). SAP review. (5) (6) (7)	15	86,823
B883 New	162	Registration application; new (2) PIP, seed increase with negotiated acreage cap and time-limited registration; with petition to establish a permanent tolerance/tolerance exemption for the active ingredient based on an existing temporary tolerance/tolerance exemption (8)	9	115,763
B884 New	163	Registration application; new (2) PIP, seed increase with negotiated acreage cap and time-limited registration; with petition to establish a permanent tolerance/tolerance exemption for the active ingredient. (8)	12	144,704
B885 New	164	Registration application; registered (3) PIP, seed increase; breeding stack of previously approved PIPs, same crop; no petition since a permanent tolerance/tolerance exemption is already established for the active ingredient(s). (9)	9	86,823
B890	165	Application to amend a seed increase registration, converts registration to commercial registration; no petition since permanent tolerance/tolerance exemption is already established for the active ingredient(s).	9	57,882
B891	166	Application to amend a seed increase registration, converts registration to a commercial registration; no petition since a permanent tolerance/tolerance exemption already established for the active ingredient(s); SAP review. (5)	15	115,763
B900	167	Application to amend a registration, including actions such as extending an expiration date, modifying an IRM plan, or adding an insect to be controlled (10) (11)	6	11,577
B901	168	Application to amend a registration, including actions such as extending an expiration date, modifying an IRM plan, or adding an insect to be controlled. SAP review (10) (11)	12	69,458
B902	169	PIP protocol review	3	5,789
B903	170	Inert ingredient tolerance exemption, e.g., a marker such as NPT II; reviewed in BPPD.	6	57,882
B904	171	Import tolerance or tolerance exemption; processed commodities/food only (inert or active ingredient).	9	115,763
(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.				
(2) New PIP = a PIP with an active ingredient that has not been registered.				
(3) Registered PIP = a PIP with an active ingredient that is currently registered.				
(4) Transfer registered PIP through conventional breeding for new food/feed use, such as from field corn				

TABLE 17. — BIOPESTICIDES AND POLLUTION PREVENTION DIVISION — PLANT INCORPORATED PROTECTANTS (PIPS)				
EPA No.	New CR No.	Action	Decision Review Time (Months) (1)	Registration Service Fee ($)
to sweet corn.				
(5) The scientific data involved in this category are complex. EPA often seeks technical advice from the Scientific Advisory Panel on risks that pesticides pose to wildlife, farm workers, pesticide applicators, non-target species, as well as insect resistance, and novel scientific issues surrounding new technologies. The scientists of the SAP neither make nor recommend policy decisions. They provide advice on the science used to make these decisions. Their advice is invaluable to the EPA as it strives to protect humans and the environment from risks posed by pesticides. Due to the time it takes to schedule and prepare for meetings with the SAP, additional time and costs are needed				
(6) Registered PIPs stacked through conventional breeding				
(7) Deployment of a registered PIP with a different IRM plan (e g., seed blend).				
(8) The negotiated acreage cap will depend upon EPA's determination of the potential environmental exposure, risk(s) to non-target organisms, and the risk of targeted pest developing resistance to the pesticidal substance. The uncertainty of these risks may reduce the allowable acreage, based upon the quantity and type of non-target organism data submitted and the lack of insect resistance management data, which is usually not required for seed-increase registrations. Registrants are encouraged to consult with EPA prior to submission of a registration application in this category.				
(9) Application can be submitted prior to or concurrently with an application for commercial registration.				
(10) For example, IRM plan modifications that are applicant-initiated.				
(11) EPA-initiated amendments shall not be charged fees				

TABLE 18. — INERT INGREDIENTS, EXTERNAL REVIEW AND MISCELLANEOUS ACTIONS				
EPA No.	**New CR No.**	**Action**	**Decision Review Time (Months) (1)**	**Registration Service Fee ($)**
I001 New	172	Approval of new food use inert ingredient (2) (3)	12	18,000
I002 New	173	Amend currently approved inert ingredient tolerance or exemption from tolerance; new data (2)	10	5,000
I003 New	174	Amend currently approved inert ingredient tolerance or exemption from tolerance; no new data (2)	8	3,000
I004 New	175	Approval of new non-food use inert ingredient (2)	8	10,000
I005 New	176	Amend currently approved non-food use inert ingredient with new use pattern; new data (2)	8	5,000
I006 New	177	Amend currently approved non-food use inert ingredient with new use pattern; no new data (2)	6	3,000
I007 New	178	Approval of substantially similar non-food use inert ingredients when original inert is compositionally similar with similar use pattern (2)	4	1,500
I008 New	179	Approval of new polymer inert ingredient, food use (2)	5	3,400
I009 New	180	Approval of new polymer inert ingredient, non food use (2)	4	2,800
I010 New	181	Petition to amend a tolerance exemption descriptor to add one or more CASRNs; no new data (2)	6	1,500
M001 New	182	Study protocol requiring Human Studies Review Board review as defined in 40 CFR 26 in support of an active ingredient (4)	9	7,200
M002 New	183	Completed study requiring Human Studies Review Board review as defined in 40 CFR 26 in support of an active ingredient (4)	9	7,200
M003 New	184	External technical peer review of new active ingredient, product, or amendment (e g., consultation with FIFRA Scientific Advisory Panel) for an action with a decision timeframe of less than 12 months. Applicant initiated request based on a requirement of the Administrator, as defined by FIFRA § 25(d), in support of a novel active ingredient, or unique use pattern or application technology. Excludes PIP active ingredients (5)	12	58,000
M004 New	185	External technical peer review of new active ingredient, product, or amendment (e.g., consultation with FIFRA Scientific Advisory Panel) for an action with a decision timeframe of greater than 12 months. Applicant initiated request based on a requirement of the Administrator, as defined by FIFRA § 25(d), in support of a novel active ingredient, or unique use pattern or application technology Excludes PIP active ingredients. (5)	18	58,000
M005 New	186	New Product: Combination, Contains a combination of active ingredients from a registered and/or unregistered source; conventional, antimicrobial and/or biopesticide. Requires coordination with other regulatory divisions to conduct review of data, label and/or verify the validity of existing data as cited. Only existing uses for each active ingredient in the combination product. (6) (7)	9	20,000

TABLE 18. — INERT INGREDIENTS, EXTERNAL REVIEW AND MISCELLANEOUS ACTIONS				
EPA No.	**New CR No.**	**Action**	**Decision Review Time (Months) (1)**	**Registration Service Fee ($)**
M006 New	187	Request for up to 5 letters of certification (Gold Seal) for one actively registered product.	1	250
M007 New	188	Request to extend Exclusive Use of data as provided by FIFRA Section 3(c)(1)(F)(ii)	12	5,000
M008 New	189	Request to grant Exclusive Use of data as provided by FIFRA Section 3(c)(1)(F)(vi) for a minor use, when a FIFRA Section 2(ll)(2) determination is required	10	1,500

(1) A decision review time that would otherwise end on a Saturday, Sunday, or federal holiday, will be extended to end on the next business day.

(2) If another covered application is associated with and dependent upon a pending application for an inert ingredient action, each application will be subject to its respective registration service fee. The decision review time for the other associated covered application will be extended to match the PRIA due date of the pending inert ingredient action, unless the PRIA due date for the other associated covered action is further out, in which case it will be subject to its own decision review time If the application covers multiple ingredients grouped by EPA into one chemical class, a single registration service fee will be assessed for approval of those ingredients.

(3) If EPA data rules are amended to newly require clearance under section 408 of the FFDCA for an ingredient of an antimicrobial product where such ingredient was not previously subject to such a clearance, then review of the data for such clearance of such product is not subject to a registration service fee for the tolerance action for two years from the effective date of the rule.

(4) Any other covered application that is associated with and dependent on the HSRB review will be subject to its separate registration service fee. The decision review times for the associated actions run concurrently, but will end at the date of the latest review time.

(5) Any other covered application that is associated with and dependent on the SAP review will be subject to its separate registration service fee. The decision review time for the associated action will be extended by the decision review time for the SAP review.

(6) An application for a new end-use product using a source of active ingredient that (a) is not yet registered but (b) has an application pending with the Agency for review, will be considered an application for a new product with an unregistered source of active ingredient

(7) Where the action involves approval of a new or amended label, on or before the end date of the decision review time, the Agency shall provide to the applicant a draft accepted label, including any changes made by the Agency that differ from the applicant-submitted label and relevant supporting data reviewed by the Agency. The applicant will notify the Agency that the applicant either (a) agrees to all of the terms associated with the draft accepted label as amended by the Agency and requests that it be issued as the accepted final Agency-stamped label; or (b) does not agree to one or more of the terms of the draft accepted label as amended by the Agency and requests additional time to resolve the difference(s); or (c) withdraws the application without prejudice for subsequent resubmission, but forfeits the associated registration service fee. For cases described in (b), the applicant shall have up to 30 calendar days to reach agreement with the Agency on the final terms of the Agency-accepted label. If the applicant agrees to all of the terms of the accepted label as in (a), including upon resolution of differences in (b), the Agency shall provide an accepted final Agency-stamped label to the registrant within 2 business days following the registrant's written or electronic confirmation of agreement to the Agency

○