

Agricultural Act of 2014

_____, 2014.—Ordered to be printed

Mr. Lucas, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2642]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 2642), to provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2018, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Agricultural Act of 2014”.

4 (b) TABLE OF CONTENTS.—The table of contents of
5 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

PART I—REPEALS

- Sec. 1101. Repeal of direct payments.
Sec. 1102. Repeal of counter-cyclical payments.
Sec. 1103. Repeal of average crop revenue election program.

PART II—COMMODITY POLICY

- Sec. 1111. Definitions.
Sec. 1112. Base acres.
Sec. 1113. Payment yields.
Sec. 1114. Payment acres.
Sec. 1115. Producer election.
Sec. 1116. Price loss coverage.
Sec. 1117. Agriculture risk coverage.
Sec. 1118. Producer agreements.
Sec. 1119. Transition assistance for producers of upland cotton.

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 policy.

Subtitle D—Dairy

PART I—MARGIN PROTECTION PROGRAM FOR DAIRY PRODUCERS

- Sec. 1401. Definitions.
- Sec. 1402. Calculation of average feed cost and actual dairy production margins.
- Sec. 1403. Establishment of margin protection program for dairy producers.
- Sec. 1404. Participation of dairy operations in margin protection program.
- Sec. 1405. Production history of participating dairy operations.
- Sec. 1406. Margin protection payments.
- Sec. 1407. Premiums for margin protection program.
- Sec. 1408. Effect of failure to pay administrative fees or premiums.
- Sec. 1409. Duration.
- Sec. 1410. Administration and enforcement.

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

- Sec. 1421. Repeal of dairy product price support program.
- Sec. 1422. Temporary continuation and eventual repeal of milk income loss contract program.
- Sec. 1423. Repeal of dairy export incentive program.
- Sec. 1424. Extension of dairy forward pricing program.
- Sec. 1425. Extension of dairy indemnity program.**
- Sec. 1426. Extension of dairy promotion and research program.
- Sec. 1427. Repeal of Federal Milk Marketing Order Review Commission.

PART III—DAIRY PRODUCT DONATION PROGRAM

- Sec. 1431. Dairy product donation program.

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. Rulemaking related to significant contribution for active personal management.
- Sec. 1605. Adjusted gross income limitation.
- Sec. 1606. Geographically disadvantaged farmers and ranchers.
- Sec. 1607. Personal liability of producers for deficiencies.
- Sec. 1608. Prevention of deceased individuals receiving payments under farm commodity programs.
- Sec. 1609. Technical corrections.
- Sec. 1610. Appeals.
- Sec. 1611. Assignment of payments.
- Sec. 1612. Tracking of benefits.
- Sec. 1613. Signature authority.
- Sec. 1614. Implementation.
- Sec. 1615. Research option.

TITLE II—CONSERVATION

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- 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. Effect on existing contracts.

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- Sec. 2101. Conservation stewardship program.

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- Sec. 2201. Purposes.
- Sec. 2202. Definitions.
- Sec. 2203. Establishment and administration.
- Sec. 2204. Evaluation of applications.
- Sec. 2205. Duties of producers.
- Sec. 2206. Limitation on payments.
- Sec. 2207. Conservation innovation grants and payments.
- Sec. 2208. Effect on existing contracts.

Subtitle D—Agricultural Conservation Easement Program

- Sec. 2301. Agricultural conservation easement program.

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- Sec. 2401. Regional conservation partnership program.

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- 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.
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- Sec. 2507. Terminal Lakes.
- Sec. 2508. Soil and Water Resources Conservation.

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- 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. Administrative requirements applicable to all conservation programs.
- Sec. 2607. Standards for State technical committees.
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- Sec. 2609. Wetlands mitigation.

- Sec. 2610. Lesser prairie-chicken conservation report.
Sec. 2611. Highly erodible land and wetland conservation for crop insurance.

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Sec. 2706. Agricultural water enhancement program.
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Sec. 2708. Great Lakes basin program.
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Sec. 3004. Minimum levels of assistance.
Sec. 3005. Food Aid Consultative Group.
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Sec. 3008. Impact on local farmers and economy and report on use of funds.
Sec. 3009. Prepositioning of agricultural commodities.
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Sec. 3011. Deadline for agreements to finance sales or to provide other assistance.
Sec. 3012. Minimum level of nonemergency food assistance.
Sec. 3013. Micronutrient fortification programs.
Sec. 3014. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program.
Sec. 3015. Coordination of foreign assistance programs report.

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- Sec. 3101. Export credit guarantee program.
Sec. 3102. Funding for market access program.
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Sec. 3202. Bill Emerson Humanitarian Trust Act.
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. Local and regional food aid procurement projects.
- Sec. 3208. Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs.

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- Sec. 4001. Preventing payment of cash to recipients of supplemental nutrition assistance benefits for the return of empty bottles and cans used to contain food purchased with benefits provided under the program.
- Sec. 4002. Retail food stores.
- Sec. 4003. Enhancing services to elderly and disabled supplemental nutrition assistance program participants.
- Sec. 4004. Food distribution program on Indian reservations.
- 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. Eligibility disqualifications for certain convicted felons.
- Sec. 4009. Ending supplemental nutrition assistance program benefits for lottery or gambling winners.
- Sec. 4010. Improving security of food assistance.
- Sec. 4011. Technology modernization for retail food stores.
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- Sec. 4013. Improved wage verification using the National Directory of New Hires.
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- Sec. 4015. Mandating State immigration verification.
- Sec. 4016. Data exchange standardization for improved interoperability.
- Sec. 4017. Pilot projects to improve Federal-State cooperation in identifying and reducing fraud in the supplemental nutrition assistance program.
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- Sec. 4020. Quality control standards.
- Sec. 4021. Performance bonus payments.
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- Sec. 4023. Cooperation with program research and evaluation.
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- Sec. 4025. Review, report, and regulation of cash nutrition assistance program benefits provided in Puerto Rico.
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- Sec. 4030. Technical and conforming amendments.
- Sec. 4031. Commonwealth of the Northern Mariana Islands pilot program.
- Sec. 4032. Annual State report on verification of SNAP participation.
- Sec. 4033. Service of traditional foods in public facilities.

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- Sec. 4101. Commodity distribution program.
- Sec. 4102. Commodity supplemental food program.
- Sec. 4103. Distribution of surplus commodities to special nutrition projects.
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- Sec. 4202. Pilot project for procurement of unprocessed fruits and vegetables.
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- Sec. 4208. Food insecurity nutrition incentive.
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- Sec. 4210. Nutrition information and awareness pilot program.
- Sec. 4211. Termination of existing agreement.
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- Sec. 4213. Pulse crop products.
- Sec. 4214. Pilot project for canned, frozen, or dried fruits and vegetables.

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- Sec. 5102. Elimination of rural residency requirement for operating loans to youth.
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- Sec. 5104. Term limits on direct operating loans.
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- Sec. 6021. National Rural Development Partnership.
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- Sec. 6203. Value-added agricultural product market development grants.
- Sec. 6204. Agriculture innovation center demonstration program.
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- Sec. 7103. Specialty crop committee.
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- Sec. 7108. Repeal of human nutrition intervention and health promotion research program.
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- Sec. 7303. Support for research regarding diseases of wheat, triticale, and barley caused by *Fusarium graminearum* or by *Tilletia indica*.
- Sec. 7304. Repeal of Bovine Johne's disease control program.
- Sec. 7305. Grants for youth organizations.
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- Sec. 7501. Agricultural biosecurity communication center.
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- Sec. 8303. Extension of stewardship contracts authority regarding use of designation by prescription to all thinning sales under National Forest Management Act of 1976.
- Sec. 8304. Reimbursement of fire funds.
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- Sec. 10003. Farmers' market and local food promotion program.
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- Sec. 12409. Noncompliance.
- Sec. 12410. Sunset.

1 SEC. 2. DEFINITION OF SECRETARY OF AGRICULTURE.

2 In this Act, the term “Secretary” means the Sec-
3 retary of Agriculture.

4 TITLE I—COMMODITIES

5 Subtitle A—Repeals and Reforms

6 PART I—REPEALS

7 SEC. 1101. REPEAL OF DIRECT PAYMENTS.

8 Sections 1103 and 1303 of the Food, Conservation,
9 and Energy Act of 2008 (7 U.S.C. 8713, 8753) are re-
10 pealed.

1 **SEC. 1102. REPEAL OF COUNTER-CYCLICAL PAYMENTS.**

2 (a) REPEAL.—Sections 1104 and 1304 of the Food,
3 Conservation, and Energy Act of 2008 (7 U.S.C. 8714,
4 8754) are repealed.

5 (b) CONTINUED APPLICATION FOR 2013 CROP
6 YEAR.—Sections 1104 and 1304 of the Food, Conserva-
7 tion, and Energy Act of 2008 (7 U.S.C. 8714, 8754), as
8 in effect on the day before the date of enactment of this
9 Act, shall continue to apply through the 2013 crop year
10 with respect to all covered commodities (as defined in sec-
11 tion 1001 of that Act (7 U.S.C. 8702)) and peanuts on
12 a farm.

13 **SEC. 1103. REPEAL OF AVERAGE CROP REVENUE ELECTION**
14 **PROGRAM.**

15 (a) REPEAL.—Section 1105 of the Food, Conserva-
16 tion, and Energy Act of 2008 (7 U.S.C. 8715) is repealed.

17 (b) CONTINUED APPLICATION FOR 2013 CROP
18 YEAR.—Section 1105 of the Food, Conservation, and En-
19 ergy Act of 2008 (7 U.S.C. 8715), as in effect on the day
20 before the date of enactment of this Act, shall continue
21 to apply through the 2013 crop year with respect to all
22 covered commodities (as defined in section 1001 of that
23 Act (7 U.S.C. 8702)) and peanuts on a farm for which
24 the irrevocable election under section 1105 of that Act was
25 made before the date of enactment of this Act.

1 **PART II—COMMODITY POLICY**

2 **SEC. 1111. DEFINITIONS.**

3 In this subtitle and subtitle B:

4 (1) **ACTUAL CROP REVENUE.**—The term “ac-
5 tual crop revenue”, with respect to a covered com-
6 modity for a crop year, means the amount deter-
7 mined by the Secretary under section 1117(b).

8 (2) **AGRICULTURE RISK COVERAGE.**—The term
9 “agriculture risk coverage” means coverage provided
10 under section 1117.

11 (3) **AGRICULTURE RISK COVERAGE GUAR-**
12 **ANTEE.**—The term “agriculture risk coverage guar-
13 antee”, with respect to a covered commodity for a
14 crop year, means the amount determined by the Sec-
15 retary under section 1117(c).

16 (4) **BASE ACRES.**—

17 (A) **IN GENERAL.**—The term “base acres”,
18 with respect to a covered commodity on a farm,
19 means the number of acres in effect under sec-
20 tions 1001 and 1301 of the Food, Conservation,
21 and Energy Act of 2008 (7 U.S.C. 8702,
22 8751), as adjusted pursuant to sections 1101,
23 1108, and 1302 of such Act (7 U.S.C. 8711,
24 8718, 8752), as in effect on September 30,
25 2013, subject to any reallocation, adjustment,
26 or reduction under section 1112 of this Act.

1 (B) INCLUSION OF GENERIC BASE
2 ACRES.—The term “base acres” includes any
3 generic base acres planted to a covered com-
4 modity as determined in section 1114(b).

5 (5) COUNTY COVERAGE.—The term “county
6 coverage” means agriculture risk coverage selected
7 under section 1115(b)(1) to be obtained at the coun-
8 ty level.

9 (6) COVERED COMMODITY.—The term “covered
10 commodity” means wheat, oats, and barley (includ-
11 ing wheat, oats, and barley used for haying and
12 grazing), corn, grain sorghum, long grain rice, me-
13 dium grain rice, pulse crops, soybeans, other oil-
14 seeds, and peanuts.

15 (7) EFFECTIVE PRICE.—The term “effective
16 price”, with respect to a covered commodity for a
17 crop year, means the price calculated by the Sec-
18 retary under section 1116(b) to determine whether
19 price loss coverage payments are required to be pro-
20 vided for that crop year.

21 (8) EXTRA LONG STAPLE COTTON.—The term
22 “extra long staple cotton” means cotton that—

23 (A) is produced from pure strain varieties
24 of the Barbadosense species or any hybrid of the
25 species, or other similar types of extra long sta-

1 ple cotton, designated by the Secretary, having
2 characteristics needed for various end uses for
3 which United States upland cotton is not suit-
4 able and grown in irrigated cotton-growing re-
5 gions of the United States designated by the
6 Secretary or other areas designated by the Sec-
7 retary as suitable for the production of the vari-
8 eties or types; and

9 (B) is ginned on a roller-type gin or, if au-
10 thorized by the Secretary, ginned on another
11 type gin for experimental purposes.

12 (9) GENERIC BASE ACRES.—The term “generic
13 base acres” means the number of base acres for cot-
14 ton in effect under section 1001 of the Food, Con-
15 servation, and Energy Act of 2008 (7 U.S.C. 8702),
16 as adjusted pursuant to section 1101 of such Act (7
17 U.S.C. 8711), as in effect on September 30, 2013,
18 subject to any adjustment or reduction under section
19 1112 of this Act.

20 (10) INDIVIDUAL COVERAGE.—The term “indi-
21 vidual coverage” means agriculture risk coverage se-
22 lected under section 1115(b)(2) to be obtained at the
23 farm level.

1 (11) MEDIUM GRAIN RICE.—The term “medium
2 grain rice” includes short grain rice and temperate
3 japonica rice.

4 (12) OTHER OILSEED.—The term “other oil-
5 seed” means a crop of sunflower seed, rapeseed,
6 canola, safflower, flaxseed, mustard seed, crambe,
7 sesame seed, or any oilseed designated by the Sec-
8 retary.

9 (13) PAYMENT ACRES.—The term “payment
10 acres”, with respect to the provision of price loss
11 coverage payments and agriculture risk coverage
12 payments, means the number of acres determined
13 for a farm under section 1114.

14 (14) PAYMENT YIELD.—The term “payment
15 yield”, for a farm for a covered commodity—

16 (A) means the yield used to make pay-
17 ments pursuant to section 1104 or 1304 of the
18 Food, Conservation, and Energy Act of 2008 (7
19 U.S.C. 8714, 8754), as in effect on September
20 30, 2013; or

21 (B) means the yield established under sec-
22 tion 1113 of this Act.

23 (15) PRICE LOSS COVERAGE.—The term “price
24 loss coverage” means coverage provided under sec-
25 tion 1116.

1 (16) PRODUCER.—

2 (A) IN GENERAL.—The term “producer”
3 means an owner, operator, landlord, tenant, or
4 sharecropper that shares in the risk of pro-
5 ducing a crop and is entitled to share in the
6 crop available for marketing from the farm, or
7 would have shared had the crop been produced.

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

11 (i) not take into consideration the ex-
12 istence of a hybrid seed contract; and

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

17 (17) PULSE CROP.—The term “pulse crop”
18 means dry peas, lentils, small chickpeas, and large
19 chickpeas.

20 (18) REFERENCE PRICE.—The term “reference
21 price”, with respect to a covered commodity for a
22 crop year, means the following:

23 (A) For wheat, \$5.50 per bushel.

24 (B) For corn, \$3.70 per bushel.

25 (C) For grain sorghum, \$3.95 per bushel.

1 (D) For barley, \$4.95 per bushel.

2 (E) For oats, \$2.40 per bushel.

3 (F) For long grain rice, \$14.00 per hun-
4 dredweight.

5 (G) For medium grain rice, \$14.00 per
6 hundredweight.

7 (H) For soybeans, \$8.40 per bushel.

8 (I) For other oilseeds, \$20.15 per hundred-
9 weight.

10 (J) For peanuts, \$535.00 per ton.

11 (K) For dry peas, \$11.00 per hundred-
12 weight.

13 (L) For lentils, \$19.97 per hundredweight.

14 (M) For small chickpeas, \$19.04 per hun-
15 dredweight.

16 (N) For large chickpeas, \$21.54 per hun-
17 dredweight.

18 (19) SECRETARY.—The term “Secretary”
19 means the Secretary of Agriculture.

20 (20) STATE.—The term “State” means—

21 (A) a State;

22 (B) the District of Columbia;

23 (C) the Commonwealth of Puerto Rico;

24 and

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

3 (21) TEMPERATE JAPONICA RICE.—The term
4 “temperate japonica rice” means rice that is grown
5 in high altitudes or temperate regions of high lati-
6 tudes with cooler climate conditions, in the Western
7 United States, as determined by the Secretary, for
8 the purpose of—

9 (A) the reallocation of base acres under
10 section 1112;

11 (B) the establishment of a reference price
12 (as required under section 1116(g)) and an ef-
13 fective price pursuant to section 1116; and

14 (C) the determination of the actual crop
15 revenue and agriculture risk coverage guarantee
16 pursuant to section 1117.

17 (22) TRANSITIONAL YIELD.—The term “transi-
18 tional yield” has the meaning given the term in sec-
19 tion 502(b) of the Federal Crop Insurance Act (7
20 U.S.C. 1502(b)).

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

24 (24) UNITED STATES PREMIUM FACTOR.—The
25 term “United States Premium Factor” means the

1 percentage by which the difference in the United
2 States loan schedule premiums for Strict Middling
3 (SM) 1¹/₈-inch upland cotton and for Middling (M)
4 1³/₃₂-inch upland cotton exceeds the difference in the
5 applicable premiums for comparable international
6 qualities.

7 **SEC. 1112. BASE ACRES.**

8 (a) RETENTION OR 1-TIME REALLOCATION OF BASE
9 ACRES.—

10 (1) ELECTION REQUIRED.—

11 (A) NOTICE OF ELECTION OPPOR-
12 TUNITY.—As soon as practicable after the date
13 of enactment of this Act, the Secretary shall
14 provide notice to the owners of a farm regard-
15 ing their opportunity to make an election, in
16 the manner provided in this subsection—

17 (i) to retain base acres, including any
18 generic base acres, as provided in para-
19 graph (2); or

20 (ii) in lieu of retaining base acres, to
21 reallocate base acres, other than any ge-
22 neric base acres, as provided in paragraph
23 (3).

1 (B) CONTENT OF NOTICE.—The notice
2 under subparagraph (A) shall include the fol-
3 lowing:

4 (i) Information that the opportunity
5 of an owner to make the election is being
6 provided only once.

7 (ii) Information regarding the manner
8 in which the owner must make the election
9 and the manner of notifying the Secretary
10 of the election.

11 (iii) Information regarding the dead-
12 line before which the owner must notify
13 the Secretary of the election to be in effect
14 beginning with the 2014 crop year.

15 (C) EFFECT OF FAILURE TO MAKE ELEC-
16 TION.—If the owner of a farm fails to make the
17 election under this subsection, or fails to timely
18 notify the Secretary of the election as required
19 by subparagraph (B)(iii), the owner shall be
20 deemed to have elected to retain base acres, in-
21 cluding generic base acres, as provided in para-
22 graph (2).

23 (2) RETENTION OF BASE ACRES.—

24 (A) ELECTION TO RETAIN.—For the pur-
25 pose of applying this part to a covered com-

1 modity, the Secretary shall give an owner of a
2 farm an opportunity to elect to retain all of the
3 base acres for each covered commodity on the
4 farm.

5 (B) TREATMENT OF GENERIC BASE
6 ACRES.—Generic base acres are automatically
7 retained.

8 (3) REALLOCATION OF BASE ACRES.—

9 (A) ELECTION TO REALLOCATE.—For the
10 purpose of applying this part to covered com-
11 modities, the Secretary shall give an owner of
12 a farm an opportunity to elect to reallocate all
13 of the base acres for covered commodities on
14 the farm, as in effect on September 30, 2013,
15 among those covered commodities planted on
16 the farm at any time during the 2009 through
17 2012 crop years.

18 (B) REALLOCATION FORMULA.—The re-
19 allocation of base acres among covered commod-
20 ities on a farm shall be in proportion to the
21 ratio of—

22 (i) the 4-year average of—

23 (I) the acreage planted on the
24 farm to each covered commodity for
25 harvest, grazing, haying, silage, or

1 other similar purposes for the 2009
2 through 2012 crop years; and

3 (II) any acreage on the farm that
4 the producers were prevented from
5 planting during the 2009 through
6 2012 crop years to that covered com-
7 modity because of drought, flood, or
8 other natural disaster, or other condi-
9 tion beyond the control of the pro-
10 ducers, as determined by the Sec-
11 retary; to

12 (ii) the 4-year average of—

13 (I) the acreage planted on the
14 farm to all covered commodities for
15 harvest, grazing, haying, silage, or
16 other similar purposes for such crop
17 years; and

18 (II) any acreage on the farm that
19 the producers were prevented from
20 planting during such crop years to
21 covered commodities because of
22 drought, flood, or other natural dis-
23 aster, or other condition beyond the
24 control of the producers, as deter-
25 mined by the Secretary.

1 (C) TREATMENT OF GENERIC BASE
2 ACRES.—Generic base acres are retained and
3 may not be reallocated under this paragraph.

4 (D) INCLUSION OF ALL 4 YEARS IN AVER-
5 AGE.—For the purpose of determining a 4-year
6 acreage average under subparagraph (B) for a
7 farm, the Secretary shall not exclude any crop
8 year in which a covered commodity was not
9 planted.

10 (E) TREATMENT OF MULTIPLE PLANTING
11 OR PREVENTED PLANTING.—For the purpose of
12 determining under subparagraph (B) the acre-
13 age on a farm that producers planted or were
14 prevented from planting during the 2009
15 through 2012 crop years to covered commod-
16 ities, if the acreage that was planted or pre-
17 vented from being planted was devoted to an-
18 other covered commodity in the same crop year
19 (other than a covered commodity produced
20 under an established practice of double crop-
21 ping), the owner may elect the commodity to be
22 used for that crop year in determining the 4-
23 year average, but may not include both the ini-
24 tial commodity and the subsequent commodity.

1 (F) LIMITATION.—The reallocation of base
2 acres among covered commodities on a farm
3 under this paragraph may not result in a total
4 number of base acres (including generic base
5 acres) for the farm in excess of the number of
6 base acres in effect for the farm on September
7 30, 2013.

8 (4) APPLICATION OF ELECTION TO ALL COV-
9 ERED COMMODITIES.—The election made under this
10 subsection, or deemed to be made under paragraph
11 (1)(C), with respect to a farm shall apply to all of
12 the covered commodities on the farm.

13 (b) ADJUSTMENT OF BASE ACRES.—

14 (1) IN GENERAL.—Notwithstanding the election
15 made under subsection (a), the Secretary shall pro-
16 vide for an adjustment, as appropriate, in the base
17 acres for covered commodities for a farm and any
18 generic base acres for the farm whenever any of the
19 following circumstances occur:

20 (A) A conservation reserve contract en-
21 tered into under section 1231 of the Food Secu-
22 rity Act of 1985 (16 U.S.C. 3831) with respect
23 to the farm expires or is voluntarily terminated.

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

4 (C) The producer has eligible oilseed acre-
5 age as the result of the Secretary designating
6 additional oilseeds, which shall be determined in
7 the same manner as eligible oilseed acreage
8 under section 1101(a)(1)(D) of the Food, Con-
9 servation, and Energy Act of 2008 (7 U.S.C.
10 8711(a)(1)(D)).

11 (2) SPECIAL CONSERVATION RESERVE ACREAGE
12 PAYMENT RULES.—For the crop year in which a
13 base acres adjustment under subparagraph (A) or
14 (B) of paragraph (1) is first made, the owner of the
15 farm shall elect to receive price loss coverage or ag-
16 riculture risk coverage with respect to the acreage
17 added to the farm under this subsection or a pro-
18 rated payment under the conservation reserve con-
19 tract, but not both.

20 (c) PREVENTION OF EXCESS BASE ACRES.—

21 (1) REQUIRED REDUCTION.—Notwithstanding
22 the election made under subsection (a), if the sum
23 of the base acres for a farm, including generic base
24 acres, and the acreage described in paragraph (2)
25 exceeds the actual cropland acreage of the farm, the

1 Secretary shall reduce the base acres for 1 or more
2 covered commodities or generic base acres for the
3 farm so that the sum of the base acres, including ge-
4 neric base acres, and the acreage described in para-
5 graph (2) does not exceed the actual cropland acre-
6 age of the farm.

7 (2) OTHER ACREAGE.—For purposes of para-
8 graph (1), the Secretary shall include the following:

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

14 (B) Any other acreage on the farm en-
15 rolled in a Federal conservation program for
16 which payments are made in exchange for not
17 producing an agricultural commodity on the
18 acreage.

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

23 (3) SELECTION OF ACRES.—The Secretary shall
24 give the owner of the farm the opportunity to select
25 the base acres for a covered commodity or generic

1 base acres for the farm against which the reduction
2 required by paragraph (1) will be made.

3 (4) EXCEPTION FOR DOUBLE-CROPPED ACRE-
4 AGE.—In applying paragraph (1), the Secretary
5 shall make an exception in the case of double crop-
6 ping, as determined by the Secretary.

7 (d) REDUCTION IN BASE ACRES.—

8 (1) REDUCTION AT OPTION OF OWNER.—

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

13 (B) EFFECT OF REDUCTION.—A reduction
14 under subparagraph (A) shall be permanent
15 and made in a manner prescribed by the Sec-
16 retary.

17 (2) REQUIRED ACTION BY SECRETARY.—

18 (A) IN GENERAL.—The Secretary shall
19 proportionately reduce base acres, including any
20 generic base acres, on a farm for land that has
21 been subdivided and developed for multiple resi-
22 dential units or other nonfarming uses if the
23 size of the tracts and the density of the subdivi-
24 sion is such that the land is unlikely to return

1 to the previous agricultural use, unless the pro-
2 ducers on the farm demonstrate that the land—
3 (i) remains devoted to commercial ag-
4 ricultural production; or
5 (ii) is likely to be returned to the pre-
6 vious agricultural use.

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

10 **SEC. 1113. PAYMENT YIELDS.**

11 (a) ESTABLISHMENT AND PURPOSE.—For the pur-
12 pose of making price loss coverage payments under section
13 1116, the Secretary shall provide for the establishment of
14 a yield for each farm for any designated oilseed for which
15 a payment yield was not established under section 1102
16 of the Food, Conservation, and Energy Act of 2008 (7
17 U.S.C. 8712) in accordance with this section.

18 (b) PAYMENT YIELDS FOR DESIGNATED OIL-
19 SEEDS.—

20 (1) DETERMINATION OF AVERAGE YIELD.—In
21 the case of designated oilseeds, the Secretary shall
22 determine the average yield per planted acre for the
23 designated oilseed on a farm for the 1998 through
24 2001 crop years, excluding any crop year in which

1 the acreage planted to the designated oilseed was
2 zero.

3 (2) ADJUSTMENT FOR PAYMENT YIELD.—

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

7 (i) The average yield for the des-
8 ignated oilseed determined under para-
9 graph (1).

10 (ii) The ratio resulting from dividing
11 the national average yield for the des-
12 ignated oilseed for the 1981 through 1985
13 crops by the national average yield for the
14 designated oilseed for the 1998 through
15 2001 crops.

16 (B) NO NATIONAL AVERAGE YIELD INFOR-
17 MATION AVAILABLE.—To the extent that na-
18 tional average yield information for a des-
19 ignated oilseed is not available, the Secretary
20 shall use such information as the Secretary de-
21 termines to be fair and equitable to establish a
22 national average yield under this section.

23 (3) USE OF COUNTY AVERAGE YIELD.—If the
24 yield per planted acre for a crop of a designated oil-
25 seed for a farm for any of the 1998 through 2001

1 crop years was less than 75 percent of the county
2 yield for that designated oilseed, the Secretary shall
3 assign a yield for that crop year equal to 75 percent
4 of the county yield for the purpose of determining
5 the average under paragraph (1).

6 (c) EFFECT OF LACK OF PAYMENT YIELD.—

7 (1) ESTABLISHMENT BY SECRETARY.—In the
8 case of a covered commodity on a farm for which
9 base acres have been established or that is planted
10 on generic base acres, if no payment yield is other-
11 wise established for the covered commodity on the
12 farm, the Secretary shall establish an appropriate
13 payment yield for the covered commodity on the
14 farm under paragraph (2).

15 (2) USE OF SIMILARLY SITUATED FARMS.—To
16 establish an appropriate payment yield for a covered
17 commodity on a farm as required by paragraph (1),
18 the Secretary shall take into consideration the farm
19 program payment yields applicable to that covered
20 commodity for similarly situated farms. The use of
21 such data in an appeal, by the Secretary or by the
22 producer, shall not be subject to any other provision
23 of law.

1 (d) SINGLE OPPORTUNITY TO UPDATE YIELDS
2 USED TO DETERMINE PRICE LOSS COVERAGE PAY-
3 MENTS.—

4 (1) ELECTION TO UPDATE.—At the sole discre-
5 tion of the owner of a farm, the owner of a farm
6 shall have a 1-time opportunity to update, on a cov-
7 ered commodity-by-covered-commodity basis, the
8 payment yield that would otherwise be used in calcu-
9 lating any price loss coverage payment for each cov-
10 ered commodity on the farm for which the election
11 is made.

12 (2) TIME FOR ELECTION.—The election under
13 paragraph (1) shall be made at a time and manner
14 to be in effect beginning with the 2014 crop year as
15 determined by the Secretary.

16 (3) METHOD OF UPDATING YIELDS.—If the
17 owner of a farm elects to update yields under this
18 subsection, the payment yield for a covered com-
19modity on the farm, for the purpose of calculating
20 price loss coverage payments only, shall be equal to
21 90 percent of the average of the yield per planted
22 acre for the crop of the covered commodity on the
23 farm for the 2008 through 2012 crop years, as de-
24 termined by the Secretary, excluding any crop year

1 in which the acreage planted to the crop of the cov-
2 ered commodity was zero.

3 (4) USE OF COUNTY AVERAGE YIELD.—If the
4 yield per planted acre for a crop of the covered com-
5 modity for a farm for any of the 2008 through 2012
6 crop years was less than 75 percent of the average
7 of the 2008 through 2012 county yield for that com-
8 modity, the Secretary shall assign a yield for that
9 crop year equal to 75 percent of the average of the
10 2008 through 2012 county yield for the purposes of
11 determining the average yield under paragraph (3).

12 **SEC. 1114. PAYMENT ACRES.**

13 (a) DETERMINATION OF PAYMENT ACRES.—

14 (1) GENERAL RULE.—For the purpose of price
15 loss coverage and agriculture risk coverage when
16 county coverage has been selected under section
17 1115(b)(1), but subject to subsection (e), the pay-
18 ment acres for each covered commodity on a farm
19 shall be equal to 85 percent of the base acres for the
20 covered commodity on the farm.

21 (2) EFFECT OF INDIVIDUAL COVERAGE.—In
22 the case of agriculture risk coverage when individual
23 coverage has been selected under section 1115(b)(2),
24 but subject to subsection (e), the payment acres for

1 a farm shall be equal to 65 percent of the base acres
2 for all of the covered commodities on the farm.

3 (b) TREATMENT OF GENERIC BASE ACRES.—

4 (1) IN GENERAL.—In the case of generic base
5 acres, price loss coverage payments and agriculture
6 risk coverage payments are made only with respect
7 to generic base acres planted to a covered com-
8 modity for the crop year.

9 (2) ATTRIBUTION.—With respect to a farm
10 containing generic base acres, for the purpose of ap-
11 plying paragraphs (1)(B) and (2)(B) of subsection
12 (a), generic base acres on the farm are attributed to
13 a covered commodity in the following manner:

14 (A) If a single covered commodity is plant-
15 ed and the total acreage planted exceeds the ge-
16 neric base acres on the farm, the generic base
17 acres are attributed to that covered commodity
18 in an amount equal to the total number of ge-
19 neric base acres.

20 (B) If multiple covered commodities are
21 planted and the total number of acres planted
22 to all covered commodities on the farm exceeds
23 the generic base acres on the farm, the generic
24 base acres are attributed to each of the covered

1 commodities on the farm on a pro rata basis to
2 reflect the ratio of—

3 (i) the acreage planted to a covered
4 commodity on the farm; to

5 (ii) the total acreage planted to all
6 covered commodities on the farm.

7 (C) If the total number of acres planted to
8 all covered commodities on the farm does not
9 exceed the generic base acres on the farm, the
10 number of acres planted to a covered com-
11 modity is attributed to that covered commodity.

12 (3) TREATED AS ADDITIONAL ACREAGE.—When
13 generic base acres are planted to a covered com-
14 modity or acreage planted to a covered commodity is
15 attributed to generic base acres, the generic base
16 acres are in addition to other base acres on the
17 farm.

18 (c) EXCLUSION.—The quantity of payment acres de-
19 termined under subsection (a) may not include any crop
20 subsequently planted during the same crop year on the
21 same land for which the first crop is eligible for price loss
22 coverage payments or agriculture risk coverage payments,
23 unless the crop was approved for double cropping in the
24 county, as determined by the Secretary.

25 (d) EFFECT OF MINIMAL PAYMENT ACRES.—

1 (1) PROHIBITION ON PAYMENTS.—Notwith-
2 standing any other provision of this title, a producer
3 on a farm may not receive price loss coverage pay-
4 ments or agriculture risk coverage payments if the
5 sum of the base acres on the farm is 10 acres or
6 less, as determined by the Secretary.

7 (2) EXCEPTIONS.—Paragraph (1) does not
8 apply to a producer that is—

9 (A) a socially disadvantaged farmer or
10 rancher (as defined in section 355(e) of the
11 Consolidated Farm and Rural Development Act
12 (7 U.S.C. 2003(e))); or

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

15 (e) EFFECT OF PLANTING FRUITS AND VEGETA-
16 BLES.—

17 (1) REDUCTION REQUIRED.—In the manner
18 provided in this subsection, payment acres on a farm
19 shall be reduced in any crop year in which fruits,
20 vegetables (other than mung beans and pulse crops),
21 or wild rice have been planted on base acres on a
22 farm.

23 (2) PRICE LOSS COVERAGE AND COUNTY COV-
24 ERAGE.—In the case of price loss coverage payments
25 and agricultural risk coverage payments using coun-

1 ty coverage, the reduction under paragraph (1) shall
2 be the amount equal to the base acres planted to
3 crops referred to in such paragraph in excess of 15
4 percent of base acres.

5 (3) INDIVIDUAL COVERAGE.—In the case of ag-
6 ricultural risk coverage payments using individual
7 coverage, the reduction under paragraph (1) shall be
8 the amount equal to the base acres planted to crops
9 referred to in such paragraph in excess of 35 per-
10 cent of base acres.

11 (4) REDUCTION EXCEPTIONS.—No reduction to
12 payment acres shall be made under this subsection
13 if—

14 (A) cover crops or crops referred to in
15 paragraph (1) are grown solely for conservation
16 purposes and not harvested for use or sale, as
17 determined by the Secretary; or

18 (B) in any region in which there is a his-
19 tory of double-cropping covered commodities
20 with crops referred to in paragraph (1) and
21 such crops were so double-cropped on the base
22 acres, as determined by the Secretary.

1 **SEC. 1115. PRODUCER ELECTION.**

2 (a) ELECTION REQUIRED.—For the 2014 through
3 2018 crop years, all of the producers on a farm shall make
4 a 1-time, irrevocable election to obtain—

5 (1) price loss coverage under section 1116 on a
6 covered commodity-by-covered-commodity basis; or

7 (2) agriculture risk coverage under section
8 1117.

9 (b) COVERAGE OPTIONS.—In the election under sub-
10 section (a), the producers on a farm that elect under para-
11 graph (2) of such subsection to obtain agriculture risk cov-
12 erage under section 1117 shall unanimously select whether
13 to receive agriculture risk coverage payments based on—

14 (1) county coverage applicable on a covered
15 commodity-by-covered-commodity basis; or

16 (2) individual coverage applicable to all of the
17 covered commodities on the farm.

18 (c) EFFECT OF FAILURE TO MAKE UNANIMOUS
19 ELECTION.—If all the producers on a farm fail to make
20 a unanimous election under subsection (a) for the 2014
21 crop year—

22 (1) the Secretary shall not make any payments
23 with respect to the farm for the 2014 crop year
24 under section 1116 or 1117; and

25 (2) the producers on the farm shall be deemed
26 to have elected price loss coverage under section

1 1116 for all covered commodities on the farm for the
2 2015 through 2018 crop years.

3 (d) EFFECT OF SELECTION OF COUNTY COV-
4 ERAGE.—If all the producers on a farm select county cov-
5 erage for a covered commodity under subsection (b)(1),
6 the Secretary may not make price loss coverage payments
7 under section 1116 to the producers on the farm with re-
8 spect to that covered commodity.

9 (e) EFFECT OF SELECTION OF INDIVIDUAL COV-
10 ERAGE.—If all the producers on a farm select individual
11 coverage under subsection (b)(2), in addition to the selec-
12 tion and election under this section applying to each pro-
13 ducer on the farm, the Secretary shall consider, for pur-
14 poses of making the calculations required by subsections
15 (b)(2) and (c)(3) of section 1117, the producer's share of
16 all farms in the same State—

17 (1) in which the producer has an interest; and

18 (2) for which individual coverage has been se-
19 lected.

20 (f) PROHIBITION ON RECONSTITUTION.—The Sec-
21 retary shall ensure that producers on a farm do not recon-
22 stitute the farm to void or change an election or selection
23 made under this section.

1 **SEC. 1116. PRICE LOSS COVERAGE.**

2 (a) PRICE LOSS COVERAGE PAYMENTS.—If all of the
3 producers on a farm make the election under subsection
4 (a) of section 1115 to obtain price loss coverage or, subject
5 to subsection (c)(1) of such section, are deemed to have
6 made such election under subsection (c)(2) of such section,
7 the Secretary shall make price loss coverage payments to
8 producers on the farm on a covered commodity-by-cov-
9 ered-commodity basis if the Secretary determines that, for
10 any of the 2014 through 2018 crop years—

11 (1) the effective price for the covered com-
12 modity for the crop year; is less than

13 (2) the reference price for the covered com-
14 modity for the crop year.

15 (b) EFFECTIVE PRICE.—The effective price for a cov-
16 ered commodity for a crop year shall be the higher of—

17 (1) the national average market price received
18 by producers during the 12-month marketing year
19 for the covered commodity, as determined by the
20 Secretary; or

21 (2) the national average loan rate for a mar-
22 keting assistance loan for the covered commodity in
23 effect for such crop year under subtitle B.

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

1 (1) the reference price for the covered com-
2 modity; and

3 (2) the effective price determined under sub-
4 section (b) for the covered commodity.

5 (d) PAYMENT AMOUNT.—If price loss coverage pay-
6 ments are required to be provided under this section for
7 any of the 2014 through 2018 crop years for a covered
8 commodity, the amount of the price loss coverage payment
9 to be paid to the producers on a farm for the crop year
10 shall be equal to the product obtained by multiplying—

11 (1) the payment rate for the covered commodity
12 under subsection (c);

13 (2) the payment yield for the covered com-
14 modity; and

15 (3) the payment acres for the covered com-
16 modity.

17 (e) TIME FOR PAYMENTS.—If the Secretary deter-
18 mines under this section that price loss coverage payments
19 are required to be provided for the covered commodity,
20 the payments shall be made beginning October 1, or as
21 soon as practicable thereafter, after the end of the applica-
22 ble marketing year for the covered commodity.

23 (f) EFFECTIVE PRICE FOR BARLEY.—In determining
24 the effective price for barley under subsection (b), the Sec-
25 retary shall use the all-barley price.

1 (g) REFERENCE PRICE FOR TEMPERATE JAPONICA
2 RICE.—The Secretary shall provide a reference price with
3 respect to temperate japonica rice in an amount equal to
4 115 percent of the amount established in subparagraphs
5 (F) and (G) of section 1111(18) in order to reflect price
6 premiums.

7 **SEC. 1117. AGRICULTURE RISK COVERAGE.**

8 (a) AGRICULTURE RISK COVERAGE PAYMENTS.—If
9 all of the producers on a farm make the election under
10 section 1115(a) to obtain agriculture risk coverage, the
11 Secretary shall make agriculture risk coverage payments
12 to producers on the farm if the Secretary determines that,
13 for any of the 2014 through 2018 crop years—

14 (1) the actual crop revenue determined under
15 subsection (b) for the crop year; is less than

16 (2) the agriculture risk coverage guarantee de-
17 termined under subsection (c) for the crop year.

18 (b) ACTUAL CROP REVENUE.—

19 (1) COUNTY COVERAGE.—In the case of county
20 coverage, the amount of the actual crop revenue for
21 a county for a crop year of a covered commodity
22 shall be equal to the product obtained by multi-
23 plying—

1 (A) the actual average county yield per
2 planted acre for the covered commodity, as de-
3 termined by the Secretary; and

4 (B) the higher of—

5 (i) the national average market price
6 received by producers during the 12-month
7 marketing year for the covered commodity,
8 as determined by the Secretary; or

9 (ii) the national average loan rate for
10 a marketing assistance loan for the covered
11 commodity in effect for such crop year
12 under subtitle B.

13 (2) INDIVIDUAL COVERAGE.—In the case of in-
14 dividual coverage, the amount of the actual crop rev-
15 enue for a producer on a farm for a crop year shall
16 be based on the producer's share of all covered com-
17 modities planted on all farms for which individual
18 coverage has been selected and in which the pro-
19 ducer has an interest, to be determined by the Sec-
20 retary as follows:

21 (A) For each covered commodity, the prod-
22 uct obtained by multiplying—

23 (i) the total production of the covered
24 commodity on such farms, as determined
25 by the Secretary; and

1 (ii) the higher of—

2 (I) the national average market
3 price received by producers during the
4 12-month marketing year, as deter-
5 mined by the Secretary; or

6 (II) the national average loan
7 rate for a marketing assistance loan
8 for the covered commodity in effect
9 for such crop year under subtitle B.

10 (B) The sum of the amounts determined
11 under subparagraph (A) for all covered com-
12 modities on such farms.

13 (C) The quotient obtained by dividing the
14 amount determined under subparagraph (B) by
15 the total planted acres of all covered commod-
16 ities on such farms.

17 (c) AGRICULTURE RISK COVERAGE GUARANTEE.—

18 (1) IN GENERAL.—The agriculture risk cov-
19 erage guarantee for a crop year for a covered com-
20 modity shall equal 86 percent of the benchmark rev-
21 enue.

22 (2) BENCHMARK REVENUE FOR COUNTY COV-
23 ERAGE.—In the case of county coverage, the bench-
24 mark revenue shall be the product obtained by mul-
25 tiplying—

1 (A) subject to paragraph (4), the average
2 historical county yield as determined by the
3 Secretary for the most recent 5 crop years, ex-
4 cluding each of the crop years with the highest
5 and lowest yields; and

6 (B) subject to paragraph (5), the national
7 average market price received by producers dur-
8 ing the 12-month marketing year for the most
9 recent 5 crop years, excluding each of the crop
10 years with the highest and lowest prices.

11 (3) BENCHMARK REVENUE FOR INDIVIDUAL
12 COVERAGE.—In the case of individual coverage, the
13 benchmark revenue for a producer on a farm for a
14 crop year shall be based on the producer's share of
15 all covered commodities planted on all farms for
16 which individual coverage has been selected and in
17 which the producer has an interest, to be determined
18 by the Secretary as follows:

19 (A) For each covered commodity for each
20 of the most recent 5 crop years, the product ob-
21 tained by multiplying—

22 (i) subject to paragraph (4), the yield
23 per planted acre for the covered commodity
24 on such farms, as determined by the Sec-
25 retary; by

1 (ii) subject to paragraph (5), the na-
2 tional average market price received by
3 producers during the 12-month marketing
4 year.

5 (B) For each covered commodity, the aver-
6 age of the revenues determined under subpara-
7 graph (A) for the most recent 5 crop years, ex-
8 cluding each of the crop years with the highest
9 and lowest revenues.

10 (C) For each of the 2014 through 2018
11 crop years, the sum of the amounts determined
12 under subparagraph (B) for all covered com-
13 modities on such farms, but adjusted to reflect
14 the ratio between the total number of acres
15 planted on such farms to a covered commodity
16 and the total acres of all covered commodities
17 planted on such farms.

18 (4) YIELD CONDITIONS.—If the yield per plant-
19 ed acre for the covered commodity or historical
20 county yield per planted acre for the covered com-
21 modity for any of the 5 most recent crop years, as
22 determined by the Secretary, is less than 70 percent
23 of the transitional yield, as determined by the Sec-
24 retary, the amounts used for any of those years in

1 paragraph (2)(A) or (3)(A)(i) shall be 70 percent of
2 the transitional yield.

3 (5) REFERENCE PRICE.—If the national aver-
4 age market price received by producers during the
5 12-month marketing year for any of the 5 most re-
6 cent crop years is lower than the reference price for
7 the covered commodity, the Secretary shall use the
8 reference price for any of those years for the
9 amounts in paragraph (2)(B) or (3)(A)(ii).

10 (d) PAYMENT RATE.—The payment rate for a cov-
11 ered commodity, in the case of county coverage, or a farm,
12 in the case of individual coverage, shall be equal to the
13 lesser of—

14 (1) the amount that—

15 (A) the agriculture risk coverage guarantee
16 for the crop year applicable under subsection
17 (c); exceeds

18 (B) the actual crop revenue for the crop
19 year applicable under subsection (b); or

20 (2) 10 percent of the benchmark revenue for
21 the crop year applicable under subsection (c).

22 (e) PAYMENT AMOUNT.—If agriculture risk coverage
23 payments are required to be paid for any of the 2014
24 through 2018 crop years, the amount of the agriculture

1 risk coverage payment for the crop year shall be deter-
2 mined by multiplying—

3 (1) the payment rate determined under sub-
4 section (d); and

5 (2) the payment acres determined under section
6 1114.

7 (f) TIME FOR PAYMENTS.—If the Secretary deter-
8 mines that agriculture risk coverage payments are re-
9 quired to be provided for the covered commodity, pay-
10 ments shall be made beginning October 1, or as soon as
11 practicable thereafter, after the end of the applicable mar-
12 keting year for the covered commodity.

13 (g) ADDITIONAL DUTIES OF THE SECRETARY.—In
14 providing agriculture risk coverage, the Secretary shall—

15 (1) to the maximum extent practicable, use all
16 available information and analysis, including data
17 mining, to check for anomalies in the determination
18 of agriculture risk coverage payments;

19 (2) to the maximum extent practicable, cal-
20 culate a separate actual crop revenue and agri-
21 culture risk coverage guarantee for irrigated and
22 nonirrigated covered commodities;

23 (3) in the case of individual coverage, assign an
24 average yield for a farm on the basis of the yield his-
25 tory of representative farms in the State, region, or

1 crop reporting district, as determined by the Sec-
2 retary, if the Secretary determines that the farm has
3 planted acreage in a quantity that is insufficient to
4 calculate a representative average yield for the farm;
5 and

6 (4) in the case of county coverage, assign an ac-
7 tual or benchmark county yield for each planted acre
8 for the crop year for the covered commodity on the
9 basis of the yield history of representative farms in
10 the State, region, or crop reporting district, as deter-
11 mined by the Secretary, if—

12 (A) the Secretary cannot establish the ac-
13 tual or benchmark county yield for each planted
14 acre for a crop year for a covered commodity in
15 the county in accordance with subsection (b)(1)
16 or (c)(2); or

17 (B) the yield determined under subsection
18 (b)(1) or (c)(2) is an unrepresentative average
19 yield for the county, as determined by the Sec-
20 retary.

21 **SEC. 1118. PRODUCER AGREEMENTS.**

22 (a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

23 (1) REQUIREMENTS.—Before the producers on
24 a farm may receive payments under this subtitle
25 with respect to the farm, the producers shall agree,

1 during the crop year for which the payments are
2 made and in exchange for the payments—

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

7 (B) to comply with applicable wetland pro-
8 tection requirements under subtitle C of title
9 XII of that Act (16 U.S.C. 3821 et seq.);

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

14 (D) to use the land on the farm, in a
15 quantity equal to the attributable base acres for
16 the farm and any base acres for an agricultural
17 or conserving use, and not for a nonagricultural
18 commercial, industrial, or residential use, as de-
19 termined by the Secretary.

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

24 (3) MODIFICATION.—At the request of the
25 transferee or owner, the Secretary may modify the

1 requirements of this subsection if the modifications
2 are consistent with the objectives of this subsection,
3 as determined by the Secretary.

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

6 (1) TERMINATION.—

7 (A) IN GENERAL.—Except as provided in
8 paragraph (2), a transfer of (or change in) the
9 interest of the producers on a farm for which
10 payments under this subtitle are provided shall
11 result in the termination of the payments, un-
12 less the transferee or owner of the acreage
13 agrees to assume all obligations under sub-
14 section (a).

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

18 (2) EXCEPTION.—If a producer entitled to a
19 payment under this subtitle dies, becomes incom-
20 petent, or is otherwise unable to receive the pay-
21 ment, the Secretary shall make the payment in ac-
22 cordance with rules issued by the Secretary.

23 (c) ACREAGE REPORTS.—As a condition on the re-
24 ceipt of any benefits under this subtitle or subtitle B, the
25 Secretary shall require producers on a farm to submit to

1 the Secretary annual acreage reports with respect to all
2 cropland on the farm.

3 (d) PRODUCTION REPORTS.—As an additional condi-
4 tion on receiving agriculture risk coverage payments for
5 individual coverage, the Secretary shall require a producer
6 on a farm to submit to the Secretary annual production
7 reports with respect to all covered commodities produced
8 on all farms in the same State—

9 (1) in which the producer has an interest; and

10 (2) for which individual coverage has been se-
11 lected.

12 (e) EFFECT OF INACCURATE REPORTS.—No penalty
13 with respect to benefits under this subtitle or subtitle B
14 shall be assessed against a producer on a farm for an inac-
15 curate acreage or production report unless the Secretary
16 determines that the producer on the farm knowingly and
17 willfully falsified the acreage or production report.

18 (f) TENANTS AND SHARECROPPERS.—In carrying
19 out this subtitle, the Secretary shall provide adequate safe-
20 guards to protect the interests of tenants and share-
21 croppers.

22 (g) SHARING OF PAYMENTS.—The Secretary shall
23 provide for the sharing of payments made under this sub-
24 title among the producers on a farm on a fair and equi-
25 table basis.

1 **SEC. 1119. TRANSITION ASSISTANCE FOR PRODUCERS OF**
2 **UPLAND COTTON.**

3 (a) AVAILABILITY.—

4 (1) PURPOSE.—It is the purpose of this section
5 to provide transition assistance to producers of up-
6 land cotton in light of the repeal of section 1103 of
7 the Food, Conservation, and Energy Act of 2008 (7
8 U.S.C. 8713), the inapplicability of sections 1116
9 and 1117 to upland cotton, and the delayed imple-
10 mentation of the Stacked Income Protection Plan re-
11 quired by section 508B of the Federal Crop Insur-
12 ance Act (7 U.S.C. 1508b), as added by section
13 11017 of this Act.

14 (2) 2014 CROP YEAR.—For the 2014 crop of
15 upland cotton, the Secretary shall provide transition
16 assistance, pursuant to the terms and conditions of
17 this section, to producers on a farm for which cotton
18 base acres were in existence for the 2013 crop year.

19 (3) 2015 CROP YEAR.—For the 2015 crop of
20 upland cotton, the Secretary shall provide transition
21 assistance, pursuant to the terms and conditions of
22 this section, to producers on a farm—

23 (A) for which cotton base acres were in ex-
24 istence for the 2013 crop year; and

25 (B) that is located in a county in which the
26 Stacked Income Protection Plan required by

1 section 508B of the Federal Crop Insurance
2 Act (7 U.S.C. 1508b) is not available to pro-
3 ducers of upland cotton for the 2015 crop year.

4 (b) TRANSITION ASSISTANCE RATE.—The transition
5 assistance rate shall be equal to the product obtained by
6 multiplying—

7 (1) the June 12, 2013, midpoint estimate for
8 the marketing year average price of upland cotton
9 received by producers for the marketing year begin-
10 ning August 1, 2013, minus the December 10, 2013,
11 midpoint estimate for the marketing year average
12 price of upland cotton received by producers for the
13 marketing year beginning August 1, 2013, as con-
14 tained in the applicable World Agricultural Supply
15 and Demand Estimates report published by the De-
16 partment of Agriculture; and

17 (2) the national program yield for upland cot-
18 ton of 597 pounds per acre.

19 (c) CALCULATION OF TRANSITION ASSISTANCE
20 AMOUNT.—The amount of transition assistance to be pro-
21 vided under this section to producers on a farm for a crop
22 year shall be equal to the product obtained by multi-
23 plying—

24 (1) for the 2014 crop year, 60 percent, and for
25 the 2015 crop year, 36.5 percent, of the cotton base

1 acres referred to in subsection (a) for the farm, sub-
2 ject to adjustment or reduction for conservation
3 measures as provided in subsections (b) and (c) of
4 section 1112;

5 (2) the transition assistance rate in effect for
6 the crop year under subsection (b); and

7 (3) the payment yield for upland cotton for the
8 farm established for purposes of section 1103(c)(3)
9 of the Food, Conservation, and Energy Act of 2008
10 (7 U.S.C. 8713(c)(3)), divided by the national pro-
11 gram yield for upland cotton of 597 pounds per
12 acre.

13 (d) TIME FOR PAYMENT.—The Secretary may not
14 make transition assistance payments for a crop year under
15 this section before October 1 of the calendar year in which
16 the crop of upland cotton is harvested.

17 (e) PAYMENT LIMITATIONS.—Sections 1001 through
18 1001C of the Food Security Act of 1985 (7 U.S.C. 1308
19 through 1308C), as in effect on September 30, 2013, shall
20 apply to the receipt of transition assistance under this sec-
21 tion in the same manner as such sections applied to sec-
22 tion 1103 of the Food, Conservation, and Energy Act of
23 2008 (7 U.S.C. 8713).

1 **Subtitle B—Marketing Loans**

2 **SEC. 1201. AVAILABILITY OF NONRECOURSE MARKETING**
3 **ASSISTANCE LOANS FOR LOAN COMMOD-**
4 **ITIES.**

5 (a) DEFINITION OF LOAN COMMODITY.—In this sub-
6 title, the term “loan commodity” means wheat, corn, grain
7 sorghum, barley, oats, upland cotton, extra long staple
8 cotton, long grain rice, medium grain rice, peanuts, soy-
9 beans, other oilseeds, graded wool, nongraded wool, mo-
10 hair, honey, dry peas, lentils, small chickpeas, and large
11 chickpeas.

12 (b) NONRECOURSE LOANS AVAILABLE.—

13 (1) IN GENERAL.—For each of the 2014
14 through 2018 crops of each loan commodity, the
15 Secretary shall make available to producers on a
16 farm nonrecourse marketing assistance loans for
17 loan commodities produced on the farm.

18 (2) TERMS AND CONDITIONS.—The marketing
19 assistance loans shall be made under terms and con-
20 ditions that are prescribed by the Secretary and at
21 the loan rate established under section 1202 for the
22 loan commodity.

23 (c) ELIGIBLE PRODUCTION.—The producers on a
24 farm shall be eligible for a marketing assistance loan

1 under subsection (b) for any quantity of a loan commodity
2 produced on the farm.

3 (d) COMPLIANCE WITH CONSERVATION AND WET-
4 LANDS REQUIREMENTS.—As a condition of the receipt of
5 a marketing assistance loan under subsection (b), the pro-
6 ducer shall comply with applicable conservation require-
7 ments under subtitle B of title XII of the Food Security
8 Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wet-
9 land protection requirements under subtitle C of title XII
10 of that Act (16 U.S.C. 3821 et seq.) during the term of
11 the loan.

12 (e) SPECIAL RULES FOR PEANUTS.—

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

15 (2) OPTIONS FOR OBTAINING LOAN.—A mar-
16 keting assistance loan under this section, and loan
17 deficiency payments under section 1205, may be ob-
18 tained at the option of the producers on a farm
19 through—

20 (A) a designated marketing association or
21 marketing cooperative of producers that is ap-
22 proved by the Secretary; or

23 (B) the Farm Service Agency.

24 (3) STORAGE OF LOAN PEANUTS.—As a condi-
25 tion on the approval by the Secretary of an indi-

1 vidual or entity to provide storage for peanuts for
2 which a marketing assistance loan is made under
3 this section, the individual or entity shall agree—

4 (A) to provide the storage on a nondiscrim-
5 inatory basis; and

6 (B) to comply with such additional require-
7 ments as the Secretary considers appropriate to
8 accomplish the purposes of this section and pro-
9 mote fairness in the administration of the bene-
10 fits of this section.

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

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

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

22 (i) require the repayment of handling
23 and other associated costs paid under sub-
24 paragraph (A) for all peanuts pledged as

1 collateral for a loan that is redeemed under
2 this section; and

3 (ii) pay storage, handling, and other
4 associated costs for all peanuts pledged as
5 collateral that are forfeited under this sec-
6 tion.

7 (5) **MARKETING.**—A marketing association or
8 cooperative may market peanuts for which a loan is
9 made under this section in any manner that con-
10 forms to consumer needs, including the separation of
11 peanuts by type and quality.

12 (6) **REIMBURSABLE AGREEMENTS AND PAY-**
13 **MENT OF ADMINISTRATIVE EXPENSES.**—The Sec-
14 retary may implement any reimbursable agreements
15 or provide for the payment of administrative ex-
16 penses under this subsection only in a manner that
17 is consistent with those activities in regard to other
18 loan commodities.

19 **SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING**
20 **ASSISTANCE LOANS.**

21 (a) **IN GENERAL.**—For purposes of each of the 2014
22 through 2018 crop years, the loan rate for a marketing
23 assistance loan under section 1201 for a loan commodity
24 shall be equal to the following:

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

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

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

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

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

6 (6) In the case of base quality of upland cotton,
7 for each of the 2014 through 2018 crop years, the
8 simple average of the adjusted prevailing world price
9 for the 2 immediately preceding marketing years, as
10 determined by the Secretary and announced October
11 1 preceding the next domestic plantings, but in no
12 case less than \$0.45 per pound or more than \$0.52
13 per pound.

14 (7) In the case of extra long staple cotton,
15 \$0.7977 per pound.

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

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

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

21 (11) In the case of other oilseeds, \$10.09 per
22 hundredweight for each of the following kinds of oil-
23 seeds:

24 (A) Sunflower seed.

25 (B) Rapeseed.

1 (C) Canola.

2 (D) Safflower.

3 (E) Flaxseed.

4 (F) Mustard seed.

5 (G) Crambe.

6 (H) Sesame seed.

7 (I) Other oilseeds designated by the Sec-
8 retary.

9 (12) In the case of dry peas, \$5.40 per hun-
10 dredweight.

11 (13) In the case of lentils, \$11.28 per hundred-
12 weight.

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

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

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

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

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

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

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

24 (b) SINGLE COUNTY LOAN RATE FOR OTHER OIL-
25 SEEDS.—The Secretary shall establish a single loan rate

1 in each county for each kind of other oilseeds described
2 in subsection (a)(11).

3 **SEC. 1203. TERM OF LOANS.**

4 (a) TERM OF LOAN.—In the case of each loan com-
5 modity, a marketing assistance loan under section 1201
6 shall have a term of 9 months beginning on the first day
7 of the first month after the month in which the loan is
8 made.

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

12 **SEC. 1204. REPAYMENT OF LOANS.**

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

20 (1) the loan rate established for the commodity
21 under section 1202, plus interest (determined in ac-
22 cordance with section 163 of the Federal Agriculture
23 Improvement and Reform Act of 1996 (7 U.S.C.
24 7283));

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

3 (A) is calculated based on average market
4 prices for the loan commodity during the pre-
5 ceding 30-day period; and

6 (B) will minimize discrepancies in mar-
7 keting loan benefits across State boundaries
8 and across county boundaries; or

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

13 (A) minimize potential loan forfeitures;

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

16 (C) minimize the cost incurred by the Fed-
17 eral Government in storing the commodity;

18 (D) allow the commodity produced in the
19 United States to be marketed freely and com-
20 petitively, both domestically and internationally;
21 and

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

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

6 (1) the loan rate established for the commodity
7 under section 1202, plus interest (determined in ac-
8 cordance with section 163 of the Federal Agriculture
9 Improvement and Reform Act of 1996 (7 U.S.C.
10 7283)); or

11 (2) the prevailing world market price for the
12 commodity, as determined and adjusted by the Sec-
13 retary in accordance with this section.

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

21 (d) PREVAILING WORLD MARKET PRICE.—For pur-
22 poses of this section and section 1207, the Secretary shall
23 prescribe by regulation—

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

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

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

10 (1) RICE.—The prevailing world market price
11 for long grain rice and medium grain rice deter-
12 mined under subsection (d) shall be adjusted to
13 United States quality and location.

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

17 (A) shall be adjusted to United States
18 quality and location, with the adjustment to in-
19 clude—

20 (i) a reduction equal to any United
21 States Premium Factor for upland cotton
22 of a quality higher than Middling (M)
23 1³/₃₂-inch; and

24 (ii) the average costs to market the
25 commodity, including average transpor-

1 tation costs, as determined by the Sec-
2 retary; and

3 (B) may be further adjusted, during the
4 period beginning on the date of enactment of
5 this Act and ending on July 31, 2019, if the
6 Secretary determines the adjustment is nec-
7 essary—

8 (i) to minimize potential loan forfeit-
9 ures;

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

13 (iii) to ensure that upland cotton pro-
14 duced in the United States can be mar-
15 keted freely and competitively, both domes-
16 tically and internationally; and

17 (iv) to ensure an appropriate transi-
18 tion between current-crop and forward-
19 crop price quotations, except that the Sec-
20 retary may use forward-crop price
21 quotations prior to July 31 of a marketing
22 year only if—

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

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

4 (3) GUIDELINES FOR ADDITIONAL ADJUST-
5 MENTS.—In making adjustments under this sub-
6 section, the Secretary shall establish a mechanism
7 for determining and announcing the adjustments in
8 order to avoid undue disruption in the United States
9 market.

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

16 (1) the loan rate established for the commodity
17 under section 1202, plus interest (determined in ac-
18 cordance with section 163 of the Federal Agriculture
19 Improvement and Reform Act of 1996 (7 U.S.C.
20 7283)); or

21 (2) the repayment rate established for oil sun-
22 flower seed.

23 (g) PAYMENT OF COTTON STORAGE COSTS.—Effec-
24 tive for each of the 2014 through 2018 crop years, the
25 Secretary shall make cotton storage payments available in

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

4 (h) REPAYMENT RATE FOR PEANUTS.—The Sec-
5 retary shall permit producers on a farm to repay a mar-
6 keting assistance loan for peanuts under section 1201 at
7 a rate that is the lesser of—

8 (1) the loan rate established for peanuts under
9 section 1202(a)(20), plus interest (determined in ac-
10 cordance with section 163 of the Federal Agriculture
11 Improvement and Reform Act of 1996 (7 U.S.C.
12 7283)); or

13 (2) a rate that the Secretary determines will—

14 (A) minimize potential loan forfeitures;

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

17 (C) minimize the cost incurred by the Fed-
18 eral Government in storing peanuts; and

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

22 (i) AUTHORITY TO TEMPORARILY ADJUST REPAY-
23 MENT RATES.—

24 (1) ADJUSTMENT AUTHORITY.—In the event of
25 a severe disruption to marketing, transportation, or

1 related infrastructure, the Secretary may modify the
2 repayment rate otherwise applicable under this sec-
3 tion for marketing assistance loans under section
4 1201 for a loan commodity.

5 (2) DURATION.—Any adjustment made under
6 paragraph (1) in the repayment rate for marketing
7 assistance loans for a loan commodity shall be in ef-
8 fect on a short-term and temporary basis, as deter-
9 mined by the Secretary.

10 **SEC. 1205. LOAN DEFICIENCY PAYMENTS.**

11 (a) AVAILABILITY OF LOAN DEFICIENCY PAY-
12 MENTS.—

13 (1) IN GENERAL.—Except as provided in sub-
14 section (d), the Secretary may make loan deficiency
15 payments available to producers on a farm that, al-
16 though eligible to obtain a marketing assistance loan
17 under section 1201 with respect to a loan com-
18 modity, agree to forgo obtaining the loan for the
19 commodity in return for loan deficiency payments
20 under this section.

21 (2) UNSHORN PELTS, HAY, AND SILAGE.—

22 (A) MARKETING ASSISTANCE LOANS.—
23 Subject to subparagraph (B), nongraded wool
24 in the form of unshorn pelts and hay and silage
25 derived from a loan commodity are not eligible

1 for a marketing assistance loan under section
2 1201.

3 (B) LOAN DEFICIENCY PAYMENT.—Effec-
4 tive for each of the 2014 through 2018 crop
5 years, the Secretary may make loan deficiency
6 payments available under this section to pro-
7 ducers on a farm that produce unshorn pelts or
8 hay and silage derived from a loan commodity.

9 (b) COMPUTATION.—A loan deficiency payment for a
10 loan commodity or commodity referred to in subsection
11 (a)(2) shall be equal to the product obtained by multi-
12 plying—

13 (1) the payment rate determined under sub-
14 section (c) for the commodity; by

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

19 (c) PAYMENT RATE.—

20 (1) IN GENERAL.—In the case of a loan com-
21 modity, the payment rate shall be the amount by
22 which—

23 (A) the loan rate established under section
24 1202 for the loan commodity; exceeds

1 (B) the rate at which a marketing assist-
2 ance loan for the loan commodity may be repaid
3 under section 1204.

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

7 (A) the loan rate established under section
8 1202 for ungraded wool; exceeds

9 (B) the rate at which a marketing assist-
10 ance loan for ungraded wool may be repaid
11 under section 1204.

12 (3) HAY AND SILAGE.—In the case of hay or si-
13 lage derived from a loan commodity, the payment
14 rate shall be the amount by which—

15 (A) the loan rate established under section
16 1202 for the loan commodity from which the
17 hay or silage is derived; exceeds

18 (B) the rate at which a marketing assist-
19 ance loan for the loan commodity may be repaid
20 under section 1204.

21 (d) EXCEPTION FOR EXTRA LONG STAPLE COT-
22 TON.—This section shall not apply with respect to extra
23 long staple cotton.

24 (e) EFFECTIVE DATE FOR PAYMENT RATE DETER-
25 MINATION.—The Secretary shall determine the amount of

1 the loan deficiency payment to be made under this section
2 to the producers on a farm with respect to a quantity of
3 a loan commodity or commodity referred to in subsection
4 (a)(2) using the payment rate in effect under subsection
5 (c) as of the date the producers request the payment.

6 **SEC. 1206. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**
7 **MENTS FOR GRAZED ACREAGE.**

8 (a) **ELIGIBLE PRODUCERS.—**

9 (1) **IN GENERAL.**—Effective for each of the
10 2014 through 2018 crop years, in the case of a pro-
11 ducer that would be eligible for a loan deficiency
12 payment under section 1205 for wheat, barley, or
13 oats, but that elects to use acreage planted to the
14 wheat, barley, or oats for the grazing of livestock,
15 the Secretary shall make a payment to the producer
16 under this section if the producer enters into an
17 agreement with the Secretary to forgo any other
18 harvesting of the wheat, barley, or oats on that acre-
19 age.

20 (2) **GRAZING OF TRITICALE ACREAGE.**—Effec-
21 tive for each of the 2014 through 2018 crop years,
22 with respect to a producer on a farm that uses acre-
23 age planted to triticale for the grazing of livestock,
24 the Secretary shall make a payment to the producer
25 under this section if the producer enters into an

1 agreement with the Secretary to forgo any other
2 harvesting of triticale on that acreage.

3 (b) PAYMENT AMOUNT.—

4 (1) IN GENERAL.—The amount of a payment
5 made under this section to a producer on a farm de-
6 scribed in subsection (a)(1) shall be equal to the
7 amount determined by multiplying—

8 (A) the loan deficiency payment rate deter-
9 mined under section 1205(c) in effect, as of the
10 date of the agreement, for the county in which
11 the farm is located; by

12 (B) the payment quantity determined by
13 multiplying—

14 (i) the quantity of the grazed acreage
15 on the farm with respect to which the pro-
16 ducer elects to forgo harvesting of wheat,
17 barley, or oats; and

18 (ii)(I) the payment yield in effect for
19 the calculation of price loss coverage under
20 section 1115 with respect to that loan com-
21 modity on the farm;

22 (II) in the case of a farm for which
23 agriculture risk coverage is elected under
24 section 1116(a), the payment yield that
25 would otherwise be in effect with respect to

1 that loan commodity on the farm in the
2 absence of such election; or

3 (III) in the case of a farm for which
4 no payment yield is otherwise established
5 for that loan commodity on the farm, an
6 appropriate yield established by the Sec-
7 retary in a manner consistent with section
8 1113(c).

9 (2) GRAZING OF TRITICALE ACREAGE.—The
10 amount of a payment made under this section to a
11 producer on a farm described in subsection (a)(2)
12 shall be equal to the amount determined by multi-
13 plying—

14 (A) the loan deficiency payment rate deter-
15 mined under section 1205(c) in effect for
16 wheat, as of the date of the agreement, for the
17 county in which the farm is located; by

18 (B) the payment quantity determined by
19 multiplying—

20 (i) the quantity of the grazed acreage
21 on the farm with respect to which the pro-
22 ducer elects to forgo harvesting of triticale;
23 and

24 (ii)(I) the payment yield in effect for
25 the calculation of price loss coverage under

1 subtitle A with respect to wheat on the
2 farm;

3 (II) in the case of a farm for which
4 agriculture risk coverage is elected under
5 section 1116(a), the payment yield that
6 would otherwise be in effect for wheat on
7 the farm in the absence of such election; or

8 (III) in the case of a farm for which
9 no payment yield is otherwise established
10 for wheat on the farm, an appropriate
11 yield established by the Secretary in a
12 manner consistent with section 1113(c).

13 (c) TIME, MANNER, AND AVAILABILITY OF PAY-
14 MENT.—

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

19 (2) AVAILABILITY.—

20 (A) IN GENERAL.—The Secretary shall es-
21 tablish an availability period for the payments
22 authorized by this section.

23 (B) CERTAIN COMMODITIES.—In the case
24 of wheat, barley, and oats, the availability pe-
25 riod shall be consistent with the availability pe-

1 riod for the commodity established by the Sec-
2 retary for marketing assistance loans author-
3 ized by this subtitle.

4 (d) PROHIBITION ON CROP INSURANCE INDEMNITY
5 OR NONINSURED CROP ASSISTANCE.—A 2014 through
6 2018 crop of wheat, barley, oats, or triticale planted on
7 acreage that a producer elects, in the agreement required
8 by subsection (a), to use for the grazing of livestock in
9 lieu of any other harvesting of the crop shall not be eligible
10 for an indemnity under a policy or plan of insurance au-
11 thorized under the Federal Crop Insurance Act (7 U.S.C.
12 1501 et seq.) or noninsured crop assistance under section
13 196 of the Federal Agriculture Improvement and Reform
14 Act of 1996 (7 U.S.C. 7333).

15 **SEC. 1207. SPECIAL MARKETING LOAN PROVISIONS FOR**
16 **UPLAND COTTON.**

17 (a) SPECIAL IMPORT QUOTA.—

18 (1) DEFINITION OF SPECIAL IMPORT QUOTA.—

19 In this subsection, the term “special import quota”
20 means a quantity of imports that is not subject to
21 the over-quota tariff rate of a tariff-rate quota.

22 (2) ESTABLISHMENT.—

23 (A) IN GENERAL.—The President shall
24 carry out an import quota program beginning

1 on August 1, 2014, as provided in this sub-
2 section.

3 (B) PROGRAM REQUIREMENTS.—Whenever
4 the Secretary determines and announces that
5 for any consecutive 4-week period, the Friday
6 through Thursday average price quotation for
7 the lowest-priced United States growth, as
8 quoted for Middling (M) 1³/₃₂-inch cotton, deliv-
9 ered to a definable and significant international
10 market, as determined by the Secretary, ex-
11 ceeds the prevailing world market price, there
12 shall immediately be in effect a special import
13 quota.

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

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

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

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

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

12 (B) section 204 of the Andean Trade Pref-
13 erence Act (19 U.S.C. 3203);

14 (C) section 503(d) of the Trade Act of
15 1974 (19 U.S.C. 2463(d)); and

16 (D) General Note 3(a)(iv) to the Har-
17 monized Tariff Schedule.

18 (7) LIMITATION.—The quantity of cotton en-
19 tered into the United States during any marketing
20 year under the special import quota established
21 under this subsection may not exceed the equivalent
22 of 10 weeks' consumption of upland cotton by do-
23 mestic mills at the seasonally adjusted average rate
24 of the 3 months immediately preceding the first spe-
25 cial import quota established in any marketing year.

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

3 (1) DEFINITIONS.—In this subsection:

4 (A) DEMAND.—The term “demand”
5 means—

6 (i) the average seasonally adjusted an-
7 nual rate of domestic mill consumption of
8 cotton during the most recent 3 months
9 for which official data of the Department
10 of Agriculture are available or, in the ab-
11 sence of sufficient data, as estimated by
12 the Secretary; and

13 (ii) the larger of—

14 (I) average exports of upland cot-
15 ton during the preceding 6 marketing
16 years; or

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

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

1 (C) SUPPLY.—The term “supply” means,
2 using the latest official data of the Department
3 of Agriculture—

4 (i) the carry-over of upland cotton at
5 the beginning of the marketing year (ad-
6 justed to 480-pound bales) in which the
7 quota is established;

8 (ii) production of the current crop;
9 and

10 (iii) imports to the latest date avail-
11 able during the marketing year.

12 (2) PROGRAM.—The President shall carry out
13 an import quota program that provides that when-
14 ever the Secretary determines and announces that
15 the average price of the base quality of upland cot-
16 ton, as determined by the Secretary, in the des-
17 ignated spot markets for a month exceeded 130 per-
18 cent of the average price of the quality of cotton in
19 the markets for the preceding 36 months, notwith-
20 standing any other provision of law, there shall im-
21 mediately be in effect a limited global import quota
22 subject to the following conditions:

23 (A) QUANTITY.—The quantity of the quota
24 shall be equal to 21 days of domestic mill con-
25 sumption of upland cotton at the seasonally ad-

1 justed average rate of the most recent 3 months
2 for which official data of the Department of Ag-
3 riculture are available or, in the absence of suf-
4 ficient data, as estimated by the Secretary.

5 (B) QUANTITY IF PRIOR QUOTA.—If a
6 quota has been established under this sub-
7 section during the preceding 12 months, the
8 quantity of the quota next established under
9 this subsection shall be the smaller of 21 days
10 of domestic mill consumption calculated under
11 subparagraph (A) or the quantity required to
12 increase the supply to 130 percent of the de-
13 mand.

14 (C) PREFERENTIAL TARIFF TREAT-
15 MENT.—The quantity under a limited global
16 import quota shall be considered to be an in-
17 quota quantity for purposes of—

18 (i) section 213(d) of the Caribbean
19 Basin Economic Recovery Act (19 U.S.C.
20 2703(d));

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

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

1 (iv) General Note 3(a)(iv) to the Har-
2 monized Tariff Schedule.

3 (D) QUOTA ENTRY PERIOD.—When a
4 quota is established under this subsection, cot-
5 ton may be entered under the quota during the
6 90-day period beginning on the date the quota
7 is established by the Secretary.

8 (3) NO OVERLAP.—Notwithstanding paragraph
9 (2), a quota period may not be established that over-
10 laps an existing quota period or a special quota pe-
11 riod established under subsection (a).

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

14 (1) IN GENERAL.—Subject to paragraph (2),
15 the Secretary shall, on a monthly basis, make eco-
16 nomic adjustment assistance available to domestic
17 users of upland cotton in the form of payments for
18 all documented use of that upland cotton during the
19 previous monthly period regardless of the origin of
20 the upland cotton.

21 (2) VALUE OF ASSISTANCE.—Effective begin-
22 ning on August 1, 2013, the value of the assistance
23 provided under paragraph (1) shall be 3 cents per
24 pound.

1 (3) ALLOWABLE PURPOSES.—Economic adjust-
2 ment assistance under this subsection shall be made
3 available only to domestic users of upland cotton
4 that certify that the assistance shall be used only to
5 acquire, construct, install, modernize, develop, con-
6 vert, or expand land, plant, buildings, equipment, fa-
7 cilities, or machinery.

8 (4) REVIEW OR AUDIT.—The Secretary may
9 conduct such review or audit of the records of a do-
10 mestic user under this subsection as the Secretary
11 determines necessary to carry out this subsection.

12 (5) IMPROPER USE OF ASSISTANCE.—If the
13 Secretary determines, after a review or audit of the
14 records of the domestic user, that economic adjust-
15 ment assistance under this subsection was not used
16 for the purposes specified in paragraph (3), the do-
17 mestic user shall be—

18 (A) liable for the repayment of the assist-
19 ance to the Secretary, plus interest, as deter-
20 mined by the Secretary; and

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

1 **SEC. 1208. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA**
2 **LONG STAPLE COTTON.**

3 (a) **COMPETITIVENESS PROGRAM.**—Notwithstanding
4 any other provision of law, during the period beginning
5 on the date of enactment of this Act through July 31,
6 2019, the Secretary shall carry out a program—

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

10 (2) to increase exports of extra long staple cot-
11 ton produced in the United States; and

12 (3) to ensure that extra long staple cotton pro-
13 duced in the United States remains competitive in
14 world markets.

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

18 (1) for a consecutive 4-week period, the world
19 market price for the lowest priced competing growth
20 of extra long staple cotton (adjusted to United
21 States quality and location and for other factors af-
22 fecting the competitiveness of such cotton), as deter-
23 mined by the Secretary, is below the prevailing
24 United States price for a competing growth of extra
25 long staple cotton; and

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

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

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

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

23 (a) HIGH MOISTURE FEED GRAINS.—

24 (1) DEFINITION OF HIGH MOISTURE STATE.—

25 In this subsection, the term “high moisture state”

1 means corn or grain sorghum having a moisture con-
2 tent in excess of Commodity Credit Corporation
3 standards for marketing assistance loans made by
4 the Secretary under section 1201.

5 (2) RECOURSE LOANS AVAILABLE.—For each of
6 the 2014 through 2018 crops of corn and grain sor-
7 ghum, the Secretary shall make available recourse
8 loans, as determined by the Secretary, to producers
9 on a farm that—

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

13 (B) present—

14 (i) certified scale tickets from an in-
15 spected, certified commercial scale, includ-
16 ing a licensed warehouse, feedlot, feed mill,
17 distillery, or other similar entity approved
18 by the Secretary, pursuant to regulations
19 issued by the Secretary; or

20 (ii) field or other physical measure-
21 ments of the standing or stored crop in re-
22 gions of the United States, as determined
23 by the Secretary, that do not have certified
24 commercial scales from which certified

1 scale tickets may be obtained within rea-
2 sonable proximity of harvest operation;

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

12 (D) comply with deadlines established by
13 the Secretary for harvesting the corn or grain
14 sorghum and submit applications for loans
15 under this subsection within deadlines estab-
16 lished by the Secretary.

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

22 (A) the acreage of the corn or grain sor-
23 ghum in a high moisture state harvested on the
24 farm of the producer; by

25 (B) the lower of—

1 (i) the payment yield in effect for the
2 calculation of price loss coverage under
3 section 1115, or the payment yield deemed
4 to be in effect or established under sub-
5 clause (II) or (III) of section
6 1206(b)(1)(B)(ii), with respect to corn or
7 grain sorghum on a field that is similar to
8 the field from which the corn or grain sor-
9 ghum referred to in subparagraph (A) was
10 obtained; or

11 (ii) the actual yield of corn or grain
12 sorghum on a field, as determined by the
13 Secretary, that is similar to the field from
14 which the corn or grain sorghum referred
15 to in subparagraph (A) was obtained.

16 (b) RECOURSE LOANS AVAILABLE FOR SEED COT-
17 TON.—For each of the 2014 through 2018 crops of upland
18 cotton and extra long staple cotton, the Secretary shall
19 make available recourse seed cotton loans, as determined
20 by the Secretary, on any production.

21 (c) REPAYMENT RATES.—Repayment of a recourse
22 loan made under this section shall be at the loan rate es-
23 tablished for the commodity by the Secretary, plus interest
24 (determined in accordance with section 163 of the Federal

1 Agriculture Improvement and Reform Act of 1996 (7
2 U.S.C. 7283)).

3 **SEC. 1210. ADJUSTMENTS OF LOANS.**

4 (a) ADJUSTMENT AUTHORITY.—Subject to sub-
5 section (e), the Secretary may make appropriate adjust-
6 ments in the loan rates for any loan commodity (other
7 than cotton) for differences in grade, type, quality, loca-
8 tion, and other factors.

9 (b) MANNER OF ADJUSTMENT.—The adjustments
10 under subsection (a) shall, to the maximum extent prac-
11 ticable, be made in such a manner that the average loan
12 level for the commodity will, on the basis of the anticipated
13 incidence of the factors, be equal to the level of support
14 determined in accordance with this subtitle and subtitle
15 C.

16 (c) ADJUSTMENT ON COUNTY BASIS.—

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

23 (2) PROHIBITION.—Adjustments under this
24 subsection shall not result in an increase in the na-
25 tional average loan rate for any year.

1 (d) ADJUSTMENT IN LOAN RATE FOR COTTON.—

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

5 (2) TYPES OF ADJUSTMENTS.—Loan rate ad-
6 justments under paragraph (1) may include—

7 (A) the use of non-spot market price data,
8 in addition to spot market price data, that
9 would enhance the accuracy of the price infor-
10 mation used in determining quality adjustments
11 under this subsection;

12 (B) adjustments in the premiums or dis-
13 counts associated with upland cotton with a sta-
14 ple length of 33 or above due to micronaire
15 with the goal of eliminating any unnecessary ar-
16 tificial splits in the calculations of the pre-
17 miums or discounts; and

18 (C) such other adjustments as the Sec-
19 retary determines appropriate, after consulta-
20 tions conducted in accordance with paragraph
21 (3).

22 (3) CONSULTATION WITH PRIVATE SECTOR.—

23 (A) PRIOR TO REVISION.—In making ad-
24 justments to the loan rate for cotton (including
25 any review of the adjustments) as provided in

1 this subsection, the Secretary shall consult with
2 representatives of the United States cotton in-
3 dustry.

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

8 (4) REVIEW OF ADJUSTMENTS.—The Secretary
9 may review the operation of the upland cotton qual-
10 ity adjustments implemented pursuant to this sub-
11 section and may make further adjustments to the
12 administration of the loan program for upland cot-
13 ton, by revoking or revising any adjustment taken
14 under paragraph (2).

15 (e) RICE.—The Secretary shall not make adjust-
16 ments in the loan rates for long grain rice and medium
17 grain rice, except for differences in grade and quality (in-
18 cluding milling yields).

19 **Subtitle C—Sugar**

20 **SEC. 1301. SUGAR POLICY.**

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

23 (1) SUGARCANE.—Section 156(a) of the Fed-
24 eral Agriculture Improvement and Reform Act of
25 1996 (7 U.S.C. 7272(a)) is amended—

1 (A) by inserting “and” at the end of para-
2 graph (3);

3 (B) in paragraph (4), by striking “the
4 2011 crop year; and” and inserting “each of
5 the 2011 through 2018 crop years.”; and

6 (C) by striking paragraph (5).

7 (2) SUGAR BEETS.—Section 156(b)(2) of the
8 Federal Agriculture Improvement and Reform Act of
9 1996 (7 U.S.C. 7272(b)(2)) is amended by striking
10 “2012” and inserting “2018”.

11 (3) EFFECTIVE PERIOD.—Section 156(i) of the
12 Federal Agriculture Improvement and Reform Act of
13 1996 (7 U.S.C. 7272(i)) is amended by striking
14 “2012” and inserting “2018”.

15 (b) FLEXIBLE MARKETING ALLOTMENTS FOR
16 SUGAR.—

17 (1) SUGAR ESTIMATES.—Section 359b(a)(1) of
18 the Agricultural Adjustment Act of 1938 (7 U.S.C.
19 1359bb(a)(1)) is amended by striking “2012” and
20 inserting “2018”.

21 (2) EFFECTIVE PERIOD.—Section 359l(a) of
22 the Agricultural Adjustment Act of 1938 (7 U.S.C.
23 1359ll(a)) is amended by striking “2012” and in-
24 serting “2018”.

Subtitle D—Dairy

PART I—MARGIN PROTECTION PROGRAM FOR DAIRY PRODUCERS

SEC. 1401. DEFINITIONS.

In this part and part III:

(1) **ACTUAL DAIRY PRODUCTION MARGIN.**—The term “actual dairy production 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 operations for all milk sold to plants and dealers in the United States, as determined by the Secretary.

(3) **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.

1 (4) CONSECUTIVE 2-MONTH PERIOD.—The term
2 “consecutive 2-month period” refers to the 2-month
3 period consisting of the months of January and Feb-
4 ruary, March and April, May and June, July and
5 August, September and October, or November and
6 December, respectively.

7 (5) DAIRY OPERATION.—

8 (A) IN GENERAL.—The term “dairy oper-
9 ation” means, as determined by the Secretary,
10 1 or more dairy producers that produce and
11 market milk as a single dairy operation in
12 which each dairy producer—

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

15 (ii) makes contributions (including
16 land, labor, management, equipment, or
17 capital) to the dairy operation of the indi-
18 vidual or entity, which are at least com-
19 mensurate with the individual or entity’s
20 share of the proceeds of the operation.

21 (B) ADDITIONAL OWNERSHIP STRUC-
22 TURES.—The Secretary shall determine addi-
23 tional ownership structures to be covered by the
24 definition of dairy operation.

1 (6) MARGIN PROTECTION PROGRAM.—The term
2 “margin protection program” means the margin pro-
3 tection program required by section 1403.

4 (7) MARGIN PROTECTION PROGRAM PAY-
5 MENT.—The term “margin protection program pay-
6 ment” means a payment made to a participating
7 dairy operation under the margin protection pro-
8 gram pursuant to section 1406.

9 (8) PARTICIPATING DAIRY OPERATION.—The
10 term “participating dairy operation” means a dairy
11 operation that registers under section 1404 to par-
12 ticipate in the margin protection program.

13 (9) PRODUCTION HISTORY.—The term “produc-
14 tion history” means the production history deter-
15 mined for a participating dairy operation under sub-
16 section (a) or (b) of section 1405 when the partici-
17 pating dairy operation first registers to participate
18 in the margin protection program.

19 (10) SECRETARY.—The term “Secretary”
20 means the Secretary of Agriculture.

21 (11) UNITED STATES.—The term “United
22 States”, in a geographical sense, means the 50
23 States, the District of Columbia, American Samoa,
24 Guam, the Commonwealth of the Northern Mariana
25 Islands, the Commonwealth of Puerto Rico, the Vir-

1 gin Islands of the United States, and any other ter-
2 ritory or possession of the United States.

3 **SEC. 1402. CALCULATION OF AVERAGE FEED COST AND AC-**
4 **TUAL DAIRY PRODUCTION MARGINS.**

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

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

12 (2) The price of soybean meal for a month shall
13 be the central Illinois price for soybean meal, as re-
14 ported in the Market News—Monthly Soybean Meal
15 Price Report by the Secretary.

16 (3) The price of alfalfa hay for a month shall
17 be the price received during that month by farmers
18 in the United States for alfalfa hay, as reported in
19 the monthly Agricultural Prices report by the Sec-
20 retary.

21 (b) CALCULATION OF ACTUAL DAIRY PRODUCTION
22 MARGIN.—

23 (1) IN GENERAL.—For use in the margin pro-
24 tection program, the Secretary shall calculate the ac-

1 tual dairy production margin for each consecutive 2-
2 month period by subtracting—

3 (A) the average feed cost for that consec-
4 tive 2-month period, determined in accordance
5 with subsection (a); from

6 (B) the all-milk price for that consecutive
7 2-month period.

8 (2) TIME FOR CALCULATION.—The calculation
9 required by this subsection shall be made as soon as
10 practicable using the full-month price of the applica-
11 ble reference month.

12 **SEC. 1403. ESTABLISHMENT OF MARGIN PROTECTION PRO-**
13 **GRAM FOR DAIRY PRODUCERS.**

14 Not later than September 1, 2014, the Secretary
15 shall establish and administer a margin protection pro-
16 gram for dairy producers under which participating dairy
17 operations are paid a margin protection payment when ac-
18 tual dairy production margins are less than the threshold
19 levels for a margin protection payment.

20 **SEC. 1404. PARTICIPATION OF DAIRY OPERATIONS IN MAR-**
21 **GIN PROTECTION PROGRAM.**

22 (a) ELIGIBILITY.—All dairy operations in the United
23 States shall be eligible to participate in the margin protec-
24 tion program to receive margin protection payments.

25 (b) REGISTRATION PROCESS.—

1 (1) IN GENERAL.—The Secretary shall specify
2 the manner and form by which a participating dairy
3 operation may register to participate in the margin
4 protection program.

5 (2) TREATMENT OF MULTIPRODUCER DAIRY
6 OPERATIONS.—If a participating dairy operation is
7 operated by more than 1 dairy producer, all of the
8 dairy producers of the participating dairy operation
9 shall be treated as a single dairy operation for pur-
10 poses of participating in the margin protection pro-
11 gram.

12 (3) TREATMENT OF PRODUCERS WITH MUL-
13 TIPLE DAIRY OPERATIONS.—If a dairy producer op-
14 erates 2 or more dairy operations, each dairy oper-
15 ation of the producer shall separately register to
16 participate in the margin protection program.

17 (c) ANNUAL ADMINISTRATIVE FEE.—

18 (1) ADMINISTRATIVE FEE REQUIRED.—Each
19 participating dairy operation shall—

20 (A) pay an administrative fee to register to
21 participate in the margin protection program;
22 and

23 (B) pay the administrative fee annually
24 through the duration of the margin protection
25 program specified in section 1409.

1 (2) AMOUNT OF FEE.—The administrative fee
2 for a participating dairy operation shall be \$100.

3 (3) USE OF FEES.—The Secretary shall use ad-
4 ministrative fees collected under this subsection to
5 cover administrative costs incurred to carry out the
6 margin protection program.

7 (d) RELATION TO LIVESTOCK GROSS MARGIN FOR
8 DAIRY PROGRAM.—A dairy operation may participate in
9 the margin protection program or the livestock gross mar-
10 gin for dairy program under the Federal Crop Insurance
11 Act (7 U.S.C. 1501 et seq.), but not both.

12 **SEC. 1405. PRODUCTION HISTORY OF PARTICIPATING**
13 **DAIRY OPERATIONS.**

14 (a) PRODUCTION HISTORY.—

15 (1) IN GENERAL.—Except as provided in sub-
16 section (b), when a dairy operation first registers to
17 participate in the margin protection program, the
18 production history of the dairy operation for the
19 margin protection program is equal to the highest
20 annual milk marketings of the participating dairy
21 operation during any one of the 2011, 2012, or
22 2013 calendar years.

23 (2) ADJUSTMENT.—In subsequent years, the
24 Secretary shall adjust the production history of a
25 participating dairy operation determined under para-

1 graph (1) to reflect any increase in the national av-
2 erage milk production.

3 (b) ELECTION BY NEW DAIRY OPERATIONS.—In the
4 case of a participating dairy operation that has been in
5 operation for less than a year, the participating dairy op-
6 eration shall elect 1 of the following methods for the Sec-
7 retary to determine the production history of the partici-
8 pating dairy operation:

9 (1) The volume of the actual milk marketings
10 for the months the participating dairy operation has
11 been in operation extrapolated to a yearly amount.

12 (2) An estimate of the actual milk marketings
13 of the participating dairy operation based on the
14 herd size of the participating dairy operation relative
15 to the national rolling herd average data published
16 by the Secretary.

17 (c) REQUIRED INFORMATION.—A participating dairy
18 operation shall provide all information that the Secretary
19 may require in order to establish the production history
20 of the participating dairy operation for purposes of partici-
21 pating in the margin protection program.

22 **SEC. 1406. MARGIN PROTECTION PAYMENTS.**

23 (a) COVERAGE LEVEL THRESHOLD AND COVERAGE
24 PERCENTAGE.—For purposes of receiving margin protec-

1 tion payments for a consecutive 2-month period, a partici-
2 pating dairy operation shall annually elect—

3 (1) a coverage level threshold that is equal to
4 \$4.00, \$4.50, \$5.00, \$5.50, \$6.00, \$6.50, \$7.00,
5 \$7.50, or \$8.00; and

6 (2) a percentage of coverage, in 5-percent incre-
7 ments, beginning with 25 percent and not exceeding
8 90 percent of the production history of the partici-
9 pating dairy operation.

10 (b) PAYMENT THRESHOLD.—A participating dairy
11 operation shall receive a margin protection payment when-
12 ever the average actual dairy production margin for a con-
13 secutive 2-month period is less than the coverage level
14 threshold selected by the participating dairy operation.

15 (c) AMOUNT OF MARGIN PROTECTION PAYMENT.—
16 The margin protection payment for the participating dairy
17 operation shall be determined as follows:

18 (1) The Secretary shall calculate the amount by
19 which the coverage level threshold selected by the
20 participating dairy operation exceeds the average ac-
21 tual dairy production margin for the consecutive 2-
22 month period.

23 (2) The amount determined under paragraph
24 (1) shall be multiplied by—

1 (A) the coverage percentage selected by the
2 participating dairy operation; and

3 (B) the production history of the partici-
4 pating dairy operation divided by 6.

5 **SEC. 1407. PREMIUMS FOR MARGIN PROTECTION PRO-**
6 **GRAM.**

7 (a) CALCULATION OF PREMIUMS.—For purposes of
8 participating in the margin protection program, a partici-
9 pating dairy operation shall pay an annual premium equal
10 to the product obtained by multiplying—

11 (1) the coverage percentage elected by the par-
12 ticipating dairy operation under section 1406(a)(2);

13 (2) the production history of the participating
14 dairy operation; and

15 (3) the premium per hundredweight of milk im-
16 posed by this section for the coverage level selected.

17 (b) PREMIUM PER HUNDREDWEIGHT FOR FIRST 4
18 MILLION POUNDS OF PRODUCTION.—

19 (1) IN GENERAL.—For the first 4,000,000
20 pounds of milk marketings included in the produc-
21 tion history of a participating dairy operation, the
22 premium per hundredweight for each coverage level
23 is specified in the table contained in paragraph (2).

(2) PRODUCER PREMIUMS.—Except as provided in paragraph (3), the following annual premiums apply:

Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.010
\$5.00	\$0.025
\$5.50	\$0.040
\$6.00	\$0.055
\$6.50	\$0.090
\$7.00	\$0.217
\$7.50	\$0.300
\$8.00	\$0.475

(3) SPECIAL RULE.—The premium per hundredweight specified in the table contained in paragraph (2) for each coverage level (except the \$8.00 coverage level) shall be reduced by 25 percent for each of calendar years 2014 and 2015.

(c) PREMIUM PER HUNDREDWEIGHT FOR PRODUCTION IN EXCESS OF 4 MILLION POUNDS.—

(1) IN GENERAL.—For milk marketings in excess of 4,000,000 pounds included in the production history of a participating dairy operation, the premium per hundredweight for each coverage level is specified in the table contained in paragraph (2).

(2) PRODUCER PREMIUMS.—The following annual premiums apply:

Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.020

Coverage Level	Premium per Cwt.
\$5.00	\$0.040
\$5.50	\$0.100
\$6.00	\$0.155
\$6.50	\$0.290
\$7.00	\$0.830
\$7.50	\$1.060
\$8.00	\$1.360

(d) TIME FOR PAYMENT OF PREMIUM.—The Secretary shall provide more than 1 method by which a participating dairy operation may pay the premium required under this section in any manner that maximizes participating dairy operation payment flexibility and program integrity.

(e) PREMIUM OBLIGATIONS.—

(1) PRO-RATION OF PREMIUM FOR NEW PARTICIPANTS.—In the case of a participating dairy operation that first registers to participate in the margin protection program for a calendar year after the start of the calendar year, the participating dairy operation shall pay a pro-rated premium for that calendar year based on the portion of the calendar year for which the participating dairy operation purchases the coverage.

(2) LEGAL OBLIGATION.—A participating dairy operation in the margin protection program for a calendar year shall be legally obligated to pay the applicable premium for that calendar year, except

1 that the Secretary may waive that obligation, under
2 terms and conditions determined by the Secretary,
3 for any participating dairy operation in the case of
4 death, retirement, permanent dissolution of a par-
5 ticipating dairy operation, or other circumstances as
6 the Secretary considers appropriate to ensure the in-
7 tegrity of the program.

8 **SEC. 1408. EFFECT OF FAILURE TO PAY ADMINISTRATIVE**
9 **FEES OR PREMIUMS.**

10 (a) LOSS OF BENEFITS.—A participating dairy oper-
11 ation that fails to pay the required annual administrative
12 fee under section 1404 or is in arrears on premium pay-
13 ments under section 1407—

14 (1) remains legally obligated to pay the admin-
15 istrative fee or premiums, as the case may be; and

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

18 (b) ENFORCEMENT.—The Secretary may take such
19 action as necessary to collect administrative fees and pre-
20 mium payments for participation in the margin protection
21 program.

22 **SEC. 1409. DURATION.**

23 The margin protection program shall end on Decem-
24 ber 31, 2018.

1 **SEC. 1410. ADMINISTRATION AND ENFORCEMENT.**

2 (a) IN GENERAL.—The Secretary shall promulgate
3 regulations to address administrative and enforcement
4 issues involved in carrying out the margin protection pro-
5 gram.

6 (b) RECONSTITUTION.—The Secretary shall promul-
7 gate regulations to prohibit a dairy producer from recon-
8 stituting a dairy operation for the purpose of the dairy
9 producer receiving margin protection payments.

10 (c) ADMINISTRATIVE APPEALS.—Using authorities
11 under section 1001(h) of the Food Security Act of 1985
12 (7 U.S.C. 1308(h)) and subtitle H of the Department of
13 Agriculture Reorganization Act (7 U.S.C. 6991 et seq.),
14 the Secretary shall promulgate regulations to provide for
15 administrative appeals of decisions of the Secretary that
16 are adverse to participants of the margin protection pro-
17 gram.

18 (d) INCLUSION OF ADDITIONAL ORDER.—Section
19 143(a)(2) of the Federal Agriculture Improvement and
20 Reform Act of 1996 (7 U.S.C. 7253(a)(2)) is amended
21 by adding at the end the following new sentence: “Sub-
22 section (b) does not apply to the authority of the Secretary
23 under this subsection.”.

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

3 **SEC. 1421. REPEAL OF DAIRY PRODUCT PRICE SUPPORT**
4 **PROGRAM.**

5 Section 1501 of the Food, Conservation, and Energy
6 Act of 2008 (7 U.S.C. 8771) is repealed.

7 **SEC. 1422. TEMPORARY CONTINUATION AND EVENTUAL RE-**
8 **PEAL OF MILK INCOME LOSS CONTRACT PRO-**
9 **GRAM.**

10 (a) TEMPORARY CONTINUATION OF PAYMENTS
11 UNDER MILK INCOME LOSS CONTRACT PROGRAM.—Sec-
12 tion 1506 of the Food, Conservation, and Energy Act of
13 2008 (7 U.S.C. 8773) is amended—

14 (1) in subsection (a), by adding at the end the
15 following new paragraph:

16 “(6) TERMINATION DATE.—The term ‘termi-
17 nation date’ means the earlier of the following:

18 “(A) The date on which the Secretary cer-
19 tifies to Congress that the margin protection
20 program required by section 1403 of the Agri-
21 cultural Act of 2014 is operational.

22 “(B) September 1, 2014.”;

23 (2) in subsection (c)(3)—

24 (A) in subparagraph (B), by inserting after
25 “August 31, 2013,” the following: “and for the

1 period beginning February 1, 2014, and ending
2 on the termination date,”; and

3 (B) in subparagraph (C), by striking “and
4 thereafter,” and inserting “and ending January
5 31, 2014,”;

6 (3) in subsection (d)—

7 (A) in paragraph (2), by striking “For any
8 month beginning on or after September 1,
9 2013,” and inserting “During the period begin-
10 ning on September 1, 2013, and ending on Jan-
11 uary 31, 2014,”;

12 (B) by redesignating paragraph (3) as
13 paragraph (4); and

14 (C) by inserting after paragraph (2) the
15 following new paragraph (3):

16 “(3) FINAL ADJUSTMENT AUTHORITY.—During
17 the period beginning on February 1, 2014, and end-
18 ing on the termination date, if the National Average
19 Dairy Feed Ration Cost for a month during that pe-
20 riod is greater than \$7.35 per hundredweight, the
21 amount specified in subsection (c)(2)(A) used to de-
22 termine the payment rate for that month shall be in-
23 creased by 45 percent of the percentage by which
24 the National Average Dairy Feed Ration Cost ex-
25 ceeds \$7.35 per hundredweight.”;

1 (4) in subsection (e)(2)(A)—

2 (A) in clause (ii), by inserting after “Au-
3 gust 31, 2013,” the following: “and for the pe-
4 riod beginning February 1, 2014, and ending
5 on the termination date,”; and

6 (B) in clause (iii), by striking “effective be-
7 ginning September 1, 2013,” and inserting “for
8 the period beginning September 1, 2013, and
9 ending January 31, 2014,”;

10 (5) in subsection (g), by striking “during the
11 period beginning on the date that is 90 days after
12 the date of enactment of this Act and ending on
13 September 30, 2013” and inserting “until the termi-
14 nation date”; and

15 (6) in subsection (h)(1), by striking “September
16 30, 2013” and inserting “the termination date”.

17 (b) REPEAL OF MILK INCOME LOSS CONTRACT PRO-
18 GRAM.—

19 (1) REPEAL.—Effective on the termination
20 date, section 1506 of the Food, Conservation, and
21 Energy Act of 2008 (7 U.S.C. 8773) is repealed.

22 (2) TERMINATION DATE DEFINED.—In para-
23 graph (1), the term “termination date” means the
24 earlier of the following:

1 (A) The date on which the Secretary cer-
2 tifies to Congress that the margin protection
3 program required by section 1403 is oper-
4 ational.

5 (B) September 1, 2014.

6 **SEC. 1423. REPEAL OF DAIRY EXPORT INCENTIVE PRO-**
7 **GRAM.**

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

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

13 (1) by striking subparagraph (D); and

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

16 **SEC. 1424. EXTENSION OF DAIRY FORWARD PRICING PRO-**
17 **GRAM.**

18 Section 1502(e) of the Food, Conservation, and En-
19 ergy Act of 2008 (7 U.S.C. 8772(e)) is amended—

20 (1) in paragraph (1), by striking “2012” and
21 inserting “2018”; and

22 (2) in paragraph (2), by striking “2015” and
23 inserting “2021”.

1 **SEC. 1425. EXTENSION OF DAIRY INDEMNITY PROGRAM.**

2 Section 3 of Public Law 90–484 (7 U.S.C. 450l) is
3 amended by striking “2012” and inserting “2018”.

4 **SEC. 1426. EXTENSION OF DAIRY PROMOTION AND RE-**
5 **SEARCH PROGRAM.**

6 Section 113(e)(2) of the Dairy Production Stabiliza-
7 tion Act of 1983 (7 U.S.C. 4504(e)(2)) is amended by
8 striking “2012” and inserting “2018”.

9 **SEC. 1427. REPEAL OF FEDERAL MILK MARKETING ORDER**
10 **REVIEW COMMISSION.**

11 Section 1509 of the Food, Conservation, and Energy
12 Act of 2008 (Public Law 110–246; 122 Stat. 1726) is re-
13 pealed.

14 **PART III—DAIRY PRODUCT DONATION PROGRAM**

15 **SEC. 1431. DAIRY PRODUCT DONATION PROGRAM.**

16 (a) PROGRAM REQUIRED; PURPOSE.—Not later than
17 120 days after the date on which the Secretary certifies
18 to Congress that the margin protection program is oper-
19 ational, the Secretary shall establish and administer a
20 dairy product donation program for the purposes of—

21 (1) addressing low operating margins experi-
22 enced by participating dairy operations; and

23 (2) providing nutrition assistance to individuals
24 in low-income groups.

25 (b) PROGRAM TRIGGER.—The Secretary shall an-
26 nounce that the dairy product donation program is in ef-

1 fect for a month, and undertake activities under sub-
2 section (c) during the month, whenever the actual dairy
3 production margin has been \$4.00 or less per hundred-
4 weight of milk for each of the immediately preceding 2
5 months.

6 (c) REQUIRED PROGRAM ACTIVITIES.—

7 (1) IN GENERAL.—Whenever the dairy product
8 donation program is in effect under subsection (b),
9 the Secretary shall immediately purchase dairy prod-
10 ucts, at prevailing market prices, until such time as
11 one of the termination conditions specified in sub-
12 section (d)(1) is met.

13 (2) CONSULTATION.—To determine the types
14 and quantities of dairy products to purchase under
15 the dairy product donation program, the Secretary
16 shall consult with public and private nonprofit orga-
17 nizations organized to feed low-income populations

18 (d) TERMINATION OF PROGRAM ACTIVITIES.—

19 (1) TERMINATION THRESHOLDS.—The Sec-
20 retary shall cease activities under the dairy product
21 donation program, and shall not reinitiate activities
22 under the program until the condition specified in
23 subsection (b) is again met, whenever any one of the
24 following occurs:

1 (A) The Secretary has made purchases
2 under the dairy product donation program for
3 three consecutive months, even if the actual
4 dairy production margin remains \$4.00 or less
5 per hundredweight of milk.

6 (B) The actual dairy production margin
7 has been greater than \$4.00 per hundredweight
8 of milk for the immediately preceding month.

9 (C) The actual dairy production margin
10 has been \$4.00 or less, but more than \$3.00,
11 per hundredweight of milk for the immediately
12 preceding month and during the same month—

13 (i) the price in the United States for
14 cheddar cheese was more than 5 percent
15 above the world price; or

16 (ii) the price in the United States for
17 non-fat dry milk was more than 5 percent
18 above the world price of skim milk powder.

19 (D) The actual dairy production margin
20 has been \$3.00 or less per hundredweight of
21 milk for the immediately preceding month and
22 during the same month—

23 (i) the price in the United States for
24 cheddar cheese was more than 7 percent
25 above the world price; or

1 (ii) the price in the United States for
2 non-fat dry milk was more than 7 percent
3 above the world price of skim milk powder.

4 (2) DETERMINATIONS.—For purposes of this
5 subsection, the Secretary shall determine the price in
6 the United States for cheddar cheese and non-fat
7 dry milk and the world price of cheddar cheese and
8 skim milk powder.

9 (e) DISTRIBUTION OF PURCHASED DAIRY PROD-
10 UCTS.—

11 (1) IN GENERAL.—The Secretary of Agriculture
12 shall distribute, but not store, the dairy products
13 purchased under the dairy product donation pro-
14 gram in a manner that encourages the domestic con-
15 sumption of such dairy products by diverting them
16 to persons in low-income groups, as determined by
17 the Secretary.

18 (2) USE OF PUBLIC OR PRIVATE NONPROFIT
19 ORGANIZATIONS.—The Secretary shall utilize the
20 services of public and private nonprofit organizations
21 for the distribution of dairy products purchased
22 under the dairy product donation program. A public
23 or private nonprofit organization that receives dairy
24 products may transfer the products to another pub-
25 lic or private nonprofit organization that agrees to

1 use the dairy products to provide, without cost or
2 waste, nutrition assistance to individuals in low-in-
3 come groups.

4 (f) PROHIBITION ON RESALE OF PRODUCTS.—A
5 public or private nonprofit organization that receives dairy
6 products under subsection (e) may not sell the products
7 back into commercial markets.

8 (g) USE OF COMMODITY CREDIT CORPORATION
9 FUNDS.—As specified in section 1601(a), the funds, facili-
10 ties, and authorities of the Commodity Credit Corporation
11 shall be available to the Secretary for the purposes of im-
12 plementing and administering the dairy product donation
13 program.

14 (h) DURATION.—In addition to the termination con-
15 ditions specified in subsection (d)(1), the dairy product do-
16 nation program shall end on December 31, 2018.

17 **Subtitle E—Supplemental Agricultural**
18 **Disaster Assistance Pro-**
19 **grams**

20 **SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER AS-**
21 **SISTANCE.**

22 (a) DEFINITIONS.—In this section:

23 (1) ELIGIBLE PRODUCER ON A FARM.—

24 (A) IN GENERAL.—The term “eligible pro-
25 ducer on a farm” means an individual or entity

1 described in subparagraph (B) that, as deter-
2 mined by the Secretary, assumes the production
3 and market risks associated with the agricul-
4 tural production of crops or livestock.

5 (B) DESCRIPTION.—An individual or enti-
6 ty referred to in subparagraph (A) is—

7 (i) a citizen of the United States;

8 (ii) a resident alien;

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

11 (iv) a corporation, limited liability cor-
12 poration, or other farm organizational
13 structure organized under State law.

14 (2) FARM-RAISED FISH.—The term “farm-
15 raised fish” means any aquatic species that is propa-
16 gated and reared in a controlled environment.

17 (3) LIVESTOCK.—The term “livestock” in-
18 cludes—

19 (A) cattle (including dairy cattle);

20 (B) bison;

21 (C) poultry;

22 (D) sheep;

23 (E) swine;

24 (F) horses; and

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

3 (4) SECRETARY.—The term “Secretary” means
4 the Secretary of Agriculture.

5 (b) LIVESTOCK INDEMNITY PAYMENTS.—

6 (1) PAYMENTS.—For fiscal year 2012 and each
7 succeeding fiscal year, the Secretary shall use such
8 sums as are necessary of the funds of the Com-
9 modity Credit Corporation to make livestock indem-
10 nity payments to eligible producers on farms that
11 have incurred livestock death losses in excess of the
12 normal mortality, as determined by the Secretary,
13 due to—

14 (A) attacks by animals reintroduced into
15 the wild by the Federal Government or pro-
16 tected by Federal law, including wolves and
17 avian predators; or

18 (B) adverse weather, as determined by the
19 Secretary, during the calendar year, including
20 losses due to hurricanes, floods, blizzards, dis-
21 ease, wildfires, extreme heat, and extreme cold.

22 (2) PAYMENT RATES.—Indemnity payments to
23 an eligible producer on a farm under paragraph (1)
24 shall be made at a rate of 75 percent of the market
25 value of the applicable livestock on the day before

1 the date of death of the livestock, as determined by
2 the Secretary.

3 (3) SPECIAL RULE FOR PAYMENTS MADE DUE
4 TO DISEASE.—The Secretary shall ensure that pay-
5 ments made to an eligible producer under paragraph
6 (1) are not made for the same livestock losses for
7 which compensation is provided pursuant to section
8 10407(d) of the Animal Health Protection Act (7
9 U.S.C. 8306(d)).

10 (c) LIVESTOCK FORAGE DISASTER PROGRAM.—

11 (1) DEFINITIONS.—In this subsection:

12 (A) COVERED LIVESTOCK.—

13 (i) IN GENERAL.—Except as provided
14 in clause (ii), the term “covered livestock”
15 means livestock of an eligible livestock pro-
16 ducer that, during the 60 days prior to the
17 beginning date of a qualifying drought or
18 fire condition, as determined by the Sec-
19 retary, the eligible livestock producer—

20 (I) owned;

21 (II) leased;

22 (III) purchased;

23 (IV) entered into a contract to
24 purchase;

25 (V) is a contract grower; or

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

4 (aa) the current production
5 year; or

6 (bb) subject to paragraph
7 (3)(B)(ii), 1 or both of the 2 pro-
8 duction years immediately pre-
9 ceding the current production
10 year.

11 (ii) EXCLUSION.—The term “covered
12 livestock” does not include livestock that
13 were or would have been in a feedlot, on
14 the beginning date of the qualifying
15 drought or fire condition, as a part of the
16 normal business operation of the eligible
17 livestock producer, as determined by the
18 Secretary.

19 (B) DROUGHT MONITOR.—The term
20 “drought monitor” means a system for
21 classifying drought severity according to a
22 range of abnormally dry to exceptional drought,
23 as defined by the Secretary.

24 (C) ELIGIBLE LIVESTOCK PRODUCER.—

1 (i) IN GENERAL.—The term “eligible
2 livestock producer” means an eligible pro-
3 ducer on a farm that—

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

10 (II) provides the pastureland or
11 grazing land for covered livestock, in-
12 cluding cash-leased pastureland or
13 grazing land that is physically located
14 in a county affected by drought;

15 (III) certifies grazing loss; and

16 (IV) meets all other eligibility re-
17 quirements established under this sub-
18 section.

19 (ii) EXCLUSION.—The term “eligible
20 livestock producer” does not include an
21 owner, cash or share lessee, or contract
22 grower of livestock that rents or leases
23 pastureland or grazing land owned by an-
24 other person on a rate-of-gain basis.

1 (D) NORMAL CARRYING CAPACITY.—The
2 term “normal carrying capacity”, with respect
3 to each type of grazing land or pastureland in
4 a county, means the normal carrying capacity,
5 as determined under paragraph (3)(D)(i), that
6 would be expected from the grazing land or
7 pastureland for livestock during the normal
8 grazing period, in the absence of a drought or
9 fire that diminishes the production of the graz-
10 ing land or pastureland.

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

16 (2) PROGRAM.—For fiscal year 2012 and each
17 succeeding fiscal year, the Secretary shall use such
18 sums as are necessary of the funds of the Com-
19 modity Credit Corporation to provide compensation
20 for losses to eligible livestock producers due to graz-
21 ing losses for covered livestock due to—

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

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

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

3 (A) ELIGIBLE LOSSES.—

4 (i) IN GENERAL.—An eligible livestock
5 producer may receive assistance under this
6 subsection only for grazing losses for cov-
7 ered livestock that occur on land that—

8 (I) is native or improved
9 pastureland with permanent vegeta-
10 tive cover; or

11 (II) is planted to a crop planted
12 specifically for the purpose of pro-
13 viding grazing for covered livestock.

14 (ii) EXCLUSIONS.—An eligible live-
15 stock producer may not receive assistance
16 under this subsection for grazing losses
17 that occur on land used for haying or graz-
18 ing under the conservation reserve pro-
19 gram established under subchapter B of
20 chapter 1 of subtitle D of title XII of the
21 Food Security Act of 1985 (16 U.S.C.
22 3831 et seq.).

23 (B) MONTHLY PAYMENT RATE.—

24 (i) IN GENERAL.—Except as provided
25 in clause (ii), the payment rate for assist-

1 ance under this paragraph for 1 month
2 shall, in the case of drought, be equal to
3 60 percent of the lesser of—

4 (I) the monthly feed cost for all
5 covered livestock owned or leased by
6 the eligible livestock producer, as de-
7 termined under subparagraph (C); or

8 (II) the monthly feed cost cal-
9 culated by using the normal carrying
10 capacity of the eligible grazing land of
11 the eligible livestock producer.

12 (ii) PARTIAL COMPENSATION.—In the
13 case of an eligible livestock producer that
14 sold or otherwise disposed of covered live-
15 stock due to drought conditions in 1 or
16 both of the 2 production years immediately
17 preceding the current production year, as
18 determined by the Secretary, the payment
19 rate shall be 80 percent of the payment
20 rate otherwise calculated in accordance
21 with clause (i).

22 (C) MONTHLY FEED COST.—

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

1 (I) 30 days;

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

5 (III) a payment rate that is equal
6 to the corn price per pound, as deter-
7 mined under clause (iii).

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

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

13 (II) in the case of any other type
14 of weight of livestock, an amount de-
15 termined by the Secretary that rep-
16 resents the average number of pounds
17 of corn per day necessary to feed the
18 livestock.

19 (iii) CORN PRICE PER POUND.—For
20 purposes of clause (i)(III), the corn price
21 per pound shall equal the quotient ob-
22 tained by dividing—

23 (I) the higher of—

24 (aa) the national average
25 corn price per bushel for the 12-

1 month period immediately pre-
2 ceding March 1 of the year for
3 which the disaster assistance is
4 calculated; or

5 (bb) the national average
6 corn price per bushel for the 24-
7 month period immediately pre-
8 ceding that March 1; by

9 (II) 56.

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

12 (i) FSA COUNTY COMMITTEE DETER-
13 MINATIONS.—

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

20 (II) CHANGES.—No change to
21 the normal carrying capacity or nor-
22 mal grazing period established for a
23 county under subclause (I) shall be
24 made unless the change is requested

1 by the appropriate State and county
2 Farm Service Agency committees.

3 (ii) DROUGHT INTENSITY.—

4 (I) D2.—An eligible livestock
5 producer that owns or leases grazing
6 land or pastureland that is physically
7 located in a county that is rated by
8 the U.S. Drought Monitor as having a
9 D2 (severe drought) intensity in any
10 area of the county for at least 8 con-
11 secutive weeks during the normal
12 grazing period for the county, as de-
13 termined by the Secretary, shall be el-
14 igible to receive assistance under this
15 paragraph in an amount equal to 1
16 monthly payment using the monthly
17 payment rate determined under sub-
18 paragraph (B).

19 (II) D3.—An eligible livestock
20 producer that owns or leases grazing
21 land or pastureland that is physically
22 located in a county that is rated by
23 the U.S. Drought Monitor as having
24 at least a D3 (extreme drought) in-
25 tensity in any area of the county at

1 any time during the normal grazing
2 period for the county, as determined
3 by the Secretary, shall be eligible to
4 receive assistance under this para-
5 graph—

6 (aa) in an amount equal to
7 3 monthly payments using the
8 monthly payment rate deter-
9 mined under subparagraph (B);

10 (bb) if the county is rated as
11 having a D3 (extreme drought)
12 intensity in any area of the coun-
13 ty for at least 4 weeks during the
14 normal grazing period for the
15 county, or is rated as having a
16 D4 (exceptional drought) inten-
17 sity in any area of the county at
18 any time during the normal graz-
19 ing period, in an amount equal to
20 4 monthly payments using the
21 monthly payment rate deter-
22 mined under subparagraph (B);
23 or

24 (cc) if the county is rated as
25 having a D4 (exceptional

1 drought) intensity in any area of
2 the county for at least 4 weeks
3 during the normal grazing pe-
4 riod, in an amount equal to 5
5 monthly payments using the
6 monthly rate determined under
7 subparagraph (B).

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

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

13 (i) the grazing losses occur on range-
14 land that is managed by a Federal agency;
15 and

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

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

1 (C) PAYMENT DURATION.—

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

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

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

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

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

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

1 (1) IN GENERAL.—For fiscal year 2012 and
2 each succeeding fiscal year, the Secretary shall use
3 not more than \$20,000,000 of the funds of the Com-
4 modity Credit Corporation to provide emergency re-
5 lief to eligible producers of livestock, honey bees, and
6 farm-raised fish to aid in the reduction of losses due
7 to disease (including cattle tick fever), adverse
8 weather, or other conditions, such as blizzards and
9 wildfires, as determined by the Secretary, that are
10 not covered under subsection (b) or (c).

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

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

18 (e) TREE ASSISTANCE PROGRAM.—

19 (1) DEFINITIONS.—In this subsection:

20 (A) ELIGIBLE ORCHARDIST.—The term
21 “eligible orchardist” means a person that pro-
22 duces annual crops from trees for commercial
23 purposes.

24 (B) NATURAL DISASTER.—The term “nat-
25 ural disaster” means plant disease, insect infes-

1 tation, drought, fire, freeze, flood, earthquake,
2 lightning, or other occurrence, as determined by
3 the Secretary.

4 (C) NURSERY TREE GROWER.—The term
5 “nursery tree grower” means a person who pro-
6 duces nursery, ornamental, fruit, nut, or Christ-
7 mas trees for commercial sale, as determined by
8 the Secretary.

9 (D) TREE.—The term “tree” includes a
10 tree, bush, and vine.

11 (2) ELIGIBILITY.—

12 (A) LOSS.—Subject to subparagraph (B),
13 for fiscal year 2012 and each succeeding fiscal
14 year, the Secretary shall use such sums as are
15 necessary of the funds of the Commodity Credit
16 Corporation to provide assistance—

17 (i) under paragraph (3) to eligible or-
18 chardists and nursery tree growers that
19 planted trees for commercial purposes but
20 lost the trees as a result of a natural dis-
21 aster, as determined by the Secretary; and

22 (ii) under paragraph (3)(B) to eligible
23 orchardists and nursery tree growers that
24 have a production history for commercial
25 purposes on planted or existing trees but

1 lost the trees as a result of a natural dis-
2 aster, as determined by the Secretary.

3 (B) LIMITATION.—An eligible orchardist
4 or nursery tree grower shall qualify for assist-
5 ance under subparagraph (A) only if the tree
6 mortality of the eligible orchardist or nursery
7 tree grower, as a result of damaging weather or
8 related condition, exceeds 15 percent (adjusted
9 for normal mortality).

10 (3) ASSISTANCE.—Subject to paragraph (4),
11 the assistance provided by the Secretary to eligible
12 orchardists and nursery tree growers for losses de-
13 scribed in paragraph (2) shall consist of—

14 (A)(i) reimbursement of 65 percent of the
15 cost of replanting trees lost due to a natural
16 disaster, as determined by the Secretary, in ex-
17 cess of 15 percent mortality (adjusted for nor-
18 mal mortality); or

19 (ii) at the option of the Secretary, suffi-
20 cient seedlings to reestablish a stand; and

21 (B) reimbursement of 50 percent of the
22 cost of pruning, removal, and other costs in-
23 curred by an eligible orchardist or nursery tree
24 grower to salvage existing trees or, in the case
25 of tree mortality, to prepare the land to replant

1 trees as a result of damage or tree mortality
2 due to a natural disaster, as determined by the
3 Secretary, in excess of 15 percent damage or
4 mortality (adjusted for normal tree damage and
5 mortality).

6 (4) LIMITATIONS ON ASSISTANCE.—

7 (A) DEFINITIONS OF LEGAL ENTITY AND
8 PERSON.—In this paragraph, the terms “legal
9 entity” and “person” have the meaning given
10 those terms in section 1001(a) of the Food Se-
11 curity Act of 1985 (7 U.S.C. 1308(a)).

12 (B) AMOUNT.—The total amount of pay-
13 ments received, directly or indirectly, by a per-
14 son or legal entity (excluding a joint venture or
15 general partnership) under this subsection may
16 not exceed \$125,000 for any crop year, or an
17 equivalent value in tree seedlings.

18 (C) ACRES.—The total quantity of acres
19 planted to trees or tree seedlings for which a
20 person or legal entity shall be entitled to receive
21 payments under this subsection may not exceed
22 500 acres.

23 (f) PAYMENT LIMITATIONS.—

24 (1) DEFINITIONS OF LEGAL ENTITY AND PER-
25 SON.—In this subsection, the terms “legal entity”

1 and “person” have the meaning given those terms in
2 section 1001(a) of the Food Security Act of 1985 (7
3 U.S.C. 1308(a)).

4 (2) AMOUNT.—The total amount of disaster as-
5 sistance payments received, directly or indirectly, by
6 a person or legal entity (excluding a joint venture or
7 general partnership) under this section (excluding
8 payments received under subsection (e)) may not ex-
9 ceed \$125,000 for any crop year.

10 (3) DIRECT ATTRIBUTION.—Subsections (e)
11 and (f) of section 1001 of the Food Security Act of
12 1985 (7 U.S.C. 1308) or any successor provisions
13 relating to direct attribution shall apply with respect
14 to assistance provided under this section.

15 **Subtitle F—Administration**

16 **SEC. 1601. ADMINISTRATION GENERALLY.**

17 (a) USE OF COMMODITY CREDIT CORPORATION.—
18 The Secretary shall use the funds, facilities, and authori-
19 ties of the Commodity Credit Corporation to carry out this
20 title.

21 (b) DETERMINATIONS BY SECRETARY.—A deter-
22 mination made by the Secretary under this title shall be
23 final and conclusive.

24 (c) REGULATIONS.—

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

8 (2) PROCEDURE.—The promulgation of the reg-
9 ulations and administration of this title and the
10 amendments made by this title and sections 11003
11 and 11017 shall be made without regard to—

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

14 (B) chapter 35 of title 44, United States
15 Code (commonly known as the “Paperwork Re-
16 duction Act”); and

17 (C) the Statement of Policy of the Sec-
18 retary of Agriculture effective July 24, 1971
19 (36 Fed. Reg. 13804), relating to notices of
20 proposed rulemaking and public participation in
21 rulemaking.

22 (3) CONGRESSIONAL REVIEW OF AGENCY RULE-
23 MAKING.—In carrying out this subsection, the Sec-
24 retary shall use the authority provided under section
25 808 of title 5, United States Code.

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

3 (1) REQUIRED DETERMINATION; ADJUST-
4 MENT.—If the Secretary determines that expendi-
5 tures under this title that are subject to the total al-
6 lowable domestic support levels under the Uruguay
7 Round Agreements (as defined in section 2 of the
8 Uruguay Round Agreements Act (19 U.S.C. 3501))
9 will exceed such allowable levels for any applicable
10 reporting period, the Secretary shall, to the max-
11 imum extent practicable, make adjustments in the
12 amount of such expenditures during that period to
13 ensure that such expenditures do not exceed the al-
14 lowable levels.

15 (2) CONGRESSIONAL NOTIFICATION.—Before
16 making any adjustment under paragraph (1), the
17 Secretary shall submit to the Committee on Agri-
18 culture of the House of Representatives and the
19 Committee on Agriculture, Nutrition, and Forestry
20 of the Senate a report describing the determination
21 made under that paragraph and the extent of the
22 adjustment to be made.

1 **SEC. 1602. SUSPENSION OF PERMANENT PRICE SUPPORT**
2 **AUTHORITY.**

3 (a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—
4 The following provisions of the Agricultural Adjustment
5 Act of 1938 shall not be applicable to the 2014 through
6 2018 crops of covered commodities (as defined in section
7 1111), cotton, and sugar and shall not be applicable to
8 milk during the period beginning on the date of enactment
9 of this Act through December 31, 2018:

10 (1) Parts II through V of subtitle B of title III
11 (7 U.S.C. 1326 et seq.).

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

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

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

17 (b) AGRICULTURAL ACT OF 1949.—The following
18 provisions of the Agricultural Act of 1949 shall not be ap-
19 plicable to the 2014 through 2018 crops of covered com-
20 modities (as defined in section 1111), cotton, and sugar
21 and shall not be applicable to milk during the period be-
22 ginning on the date of enactment of this Act and through
23 December 31, 2018:

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

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

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

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

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

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

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

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

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

7 (10) Title IV (7 U.S.C. 1421 et seq.), other
8 than sections 404, 412, and 416 (7 U.S.C. 1424,
9 1429, and 1431).

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

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

12 (c) SUSPENSION OF CERTAIN QUOTA PROVISIONS.—

13 The joint resolution entitled “A joint resolution relating
14 to corn and wheat marketing quotas under the Agricul-
15 tural Adjustment Act of 1938, as amended”, approved
16 May 26, 1941 (7 U.S.C. 1330 and 1340), shall not be
17 applicable to the crops of wheat planted for harvest in the
18 calendar years 2014 through 2018.

19 **SEC. 1603. PAYMENT LIMITATIONS.**

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

23 “(b) LIMITATION ON PAYMENTS FOR COVERED COM-
24 MODITIES (OTHER THAN PEANUTS).—The total amount
25 of payments received, directly or indirectly, by a person

1 or legal entity (except a joint venture or general partner-
2 ship) for any crop year under sections 1116 and 1117 and
3 as marketing loan gains or loan deficiency payments under
4 subtitle B of title I of the Agricultural Act of 2014 (other
5 than for peanuts) may not exceed \$125,000.

6 “(c) LIMITATION ON PAYMENTS FOR PEANUTS.—
7 The total amount of payments received, directly or indi-
8 rectly, by a person or legal entity (except a joint venture
9 or general partnership) for any crop year under sections
10 1116 and 1117 and as marketing loan gains or loan defi-
11 ciency payments under subtitle B of title I of the Agricul-
12 tural Act of 2014 for peanuts may not exceed \$125,000.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) LIMITATION ON APPLICABILITY.—Section
15 1001(d) of the Food Security Act of 1985 (7 U.S.C.
16 1308(d)) is amended by striking “the marketing as-
17 sistance loan program or the loan deficiency pay-
18 ment program under title I of the Food, Conserva-
19 tion, and Energy Act of 2008” and inserting “the
20 forfeiture of a commodity pledged as collateral for a
21 loan made available under subtitle B of title I of the
22 Agricultural Act of 2014”.

23 (2) TREATMENT OF FEDERAL AGENCIES AND
24 STATE AND LOCAL GOVERNMENTS.—Section 1001(f)

1 of the Food Security Act of 1985 (7 U.S.C. 1308(f))
2 is amended—

3 (A) in paragraph (5)(A), by striking “or
4 title XII” and inserting “, title I of the Agricul-
5 tural Act of 2014, or title XII”; and

6 (B) in paragraph (6)(A), by striking “or
7 title XII” and inserting “, title I of the Agricul-
8 tural Act of 2014, or title XII”.

9 (3) FOREIGN PERSONS INELIGIBLE.—Section
10 1001C(a) of the Food Security Act of 1985 (7
11 U.S.C. 1308–3(a)) is amended by inserting “title I
12 of the Agricultural Act of 2014,” after “2008,”.

13 (c) APPLICATION.—The amendments made by this
14 section shall apply beginning with the 2014 crop year.

15 **SEC. 1604. RULEMAKING RELATED TO SIGNIFICANT CON-**
16 **TRIBUTION FOR ACTIVE PERSONAL MANAGE-**
17 **MENT.**

18 (a) REGULATIONS REQUIRED.—Within 180 days
19 after the date of the enactment of this Act, the Secretary
20 shall promulgate, with an opportunity for notice and com-
21 ment, regulations—

22 (1) to define the term “significant contribution
23 of active personal management” for purposes of sec-
24 tion 1001A of the Food Security Act of 1985 (7
25 U.S.C. 1308–1); and

1 (2) if the Secretary determines it is appro-
2 priate, to establish limits for varying types of farm-
3 ing operations on the number of individuals who
4 may be considered to be actively engaged in farming
5 with respect to the farming operation when a signifi-
6 cant contribution of active personal management is
7 the basis used to meet the requirement of being ac-
8 tively engaged in farming under section 1001A of
9 the Food Security Act of 1985 (7 U.S.C. 1308–1)
10 by an individual or entity.

11 (b) CONSIDERATIONS.—In promulgating the regula-
12 tions required under subsection (a), the Secretary shall
13 consider—

14 (1) the size, nature, and management require-
15 ments of each type of farming operation;

16 (2) the changing nature of active personal man-
17 agement due to advancements of farming operations;
18 and

19 (3) the degree to which the regulations promul-
20 gated pursuant to subsection (a) will adversely im-
21 pact the long-term viability of the farming operation.

22 (c) FAMILY FARMS.—The Secretary shall not apply
23 the regulations promulgated pursuant to subsection (a) to
24 individuals or entities comprised solely of family members

1 (as that term is defined in section 1001(a)(2) of the Food
2 Security Act of 1985 (7 U.S.C. 1308(a)(2))).

3 (d) MONITORING.—The regulations promulgated pur-
4 suant to subsection (a) shall include a plan for monitoring
5 the status of compliance reviews for whether a person or
6 entity is in compliance with the regulations.

7 (e) PAPERWORK REDUCTION.—In order to conserve
8 Federal resources and prevent unnecessary paperwork
9 burdens, the Secretary shall ensure that any additional pa-
10 perwork required as a result of the regulations promul-
11 gated pursuant to subsection (a) be limited to those per-
12 sons who are subject to such regulations.

13 (f) RELATION TO OTHER REQUIREMENTS.—Nothing
14 in this section may be construed to authorize the Secretary
15 to alter, directly or indirectly, existing regulations for
16 other requirements in section 1001A of the Food Security
17 Act of 1985 (7 U.S.C. 1308–1).

18 (g) EFFECTIVE DATE.—The requirements of any
19 regulation promulgated pursuant to this section shall
20 apply beginning with the 2015 crop year.

21 **SEC. 1605. ADJUSTED GROSS INCOME LIMITATION.**

22 (a) LIMITATIONS AND COVERED BENEFITS.—Section
23 1001D(b) of the Food Security Act of 1985 (7 U.S.C.
24 1308–3a(b)) is amended—

1 (1) in the subsection heading, by striking “LIM-
2 ITATIONS” and inserting “LIMITATIONS ON COM-
3 MODITY AND CONSERVATION PROGRAMS”;

4 (2) by striking paragraphs (1) and (2) and in-
5 serting the following new paragraphs:

6 “(1) LIMITATION.—Notwithstanding any other
7 provision of law, a person or legal entity shall not
8 be eligible to receive any benefit described in para-
9 graph (2) during a crop, fiscal, or program year, as
10 appropriate, if the average adjusted gross income of
11 the person or legal entity exceeds \$900,000.

12 “(2) COVERED BENEFITS.—Paragraph (1) ap-
13 plies with respect to the following:

14 “(A) A payment or benefit under subtitle
15 A or E of title I of the Agricultural Act of
16 2014.

17 “(B) A marketing loan gain or loan defi-
18 ciency payment under subtitle B of title I of the
19 Agricultural Act of 2014.

20 “(C) Starting with fiscal year 2015, a pay-
21 ment or benefit under title II of the Agricul-
22 tural Act of 2014, title II of the Farm Security
23 and Rural Investment Act of 2002, title II of
24 the Food, Conservation, and Energy Act of

1 2008, or title XII of the Food Security Act of
2 1985.

3 “(D) A payment or benefit under section
4 524(b) of the Federal Crop Insurance Act (7
5 U.S.C. 1524(b)).

6 “(E) A payment or benefit under section
7 196 of the Federal Agriculture Improvement
8 and Reform Act of 1996 (7 U.S.C. 7333).”.

9 (b) UPDATING DEFINITIONS.—Paragraph (1) of sec-
10 tion 1001D(a) of the Food Security Act of 1985 (7 U.S.C.
11 1308–3a(a)) is amended to read as follows:

12 “(1) AVERAGE ADJUSTED GROSS INCOME.—In
13 this section, the term ‘average adjusted gross in-
14 come’, with respect to a person or legal entity,
15 means the average of the adjusted gross income or
16 comparable measure of the person or legal entity
17 over the 3 taxable years preceding the most imme-
18 diately preceding complete taxable year, as deter-
19 mined by the Secretary.”.

20 (c) INCOME DETERMINATION.—Section 1001D of the
21 Food Security Act of 1985 (7 U.S.C. 1308–3a) is amend-
22 ed—

23 (1) by striking subsection (c); and

24 (2) by redesignating subsections (d), (e), and

25 (f) as subsections (c), (d), and (e), respectively.

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

4 (1) in subsection (a)(2)—

5 (A) by striking “subparagraph (A) or (B)
6 of”; and

7 (B) by striking “, the average adjusted
8 gross farm income, and the average adjusted
9 gross nonfarm income”;

10 (2) in subsection (a)(3), by striking “, average
11 adjusted gross farm income, and average adjusted
12 gross nonfarm income” both places it appears;

13 (3) in subsection (c) (as redesignated by sub-
14 section (c)(2) of this section)—

15 (A) in paragraph (1), by striking “, aver-
16 age adjusted gross farm income, and average
17 adjusted gross nonfarm income” both places it
18 appears; and

19 (B) in paragraph (2), by striking “para-
20 graphs (1)(C) and (2)(B) of subsection (b)”
21 and inserting “subsection (b)(2)”; and

22 (4) in subsection (d) (as redesignated by sub-
23 section (c)(2) of this section)—

1 (A) by striking “paragraphs (1)(C) and
2 (2)(B) of subsection (b)” and inserting “sub-
3 section (b)(2)”; and

4 (B) by striking “, average adjusted gross
5 farm income, or average adjusted gross non-
6 farm income”.

7 (e) EFFECTIVE PERIOD.—Subsection (e) of section
8 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–
9 3a), as redesignated by subsection (c)(2) of this section,
10 is repealed.

11 (f) LIMITATION ON APPLICABILITY.—Section
12 1001(d) of the Food Security Act of 1985 (7 U.S.C. 1308)
13 is amended by inserting before the period at the end the
14 following: “or title I of the Agricultural Act of 2014”.

15 (g) TRANSITION.—Section 1001D of the Food Secu-
16 rity Act of 1985 (7 U.S.C. 1308–3a), as in effect on the
17 day before the date of the enactment of this Act, shall
18 apply with respect to the 2013 crop, fiscal, or program
19 year, as appropriate, for each program described in para-
20 graphs (1)(C) and (2)(B) of subsection (b) of that section
21 (as so in effect on that day).

22 **SEC. 1606. GEOGRAPHICALLY DISADVANTAGED FARMERS**
23 **AND RANCHERS.**

24 Section 1621(d) of the Food, Conservation, and En-
25 ergy Act of 2008 (7 U.S.C. 8792(d)) is amended by strik-

1 ing “each of fiscal years 2009 through 2012” and insert-
2 ing “fiscal year 2009 and each succeeding fiscal year”.

3 **SEC. 1607. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.**
4

5 Section 164 of the Federal Agriculture Improvement
6 and Reform Act of 1996 (7 U.S.C. 7284) is amended by
7 striking “and title I of the Food, Conservation, and En-
8 ergy Act of 2008” each place it appears and inserting
9 “title I of the Food, Conservation, and Energy Act of
10 2008 (7 U.S.C. 8702 et seq.), and title I of the Agricul-
11 tural Act of 2014”.

12 **SEC. 1608. PREVENTION OF DECEASED INDIVIDUALS RE-**
13 **CEIVING PAYMENTS UNDER FARM COM-**
14 **MODITY PROGRAMS.**

15 (a) RECONCILIATION.—At least twice each year, the
16 Secretary shall reconcile Social Security numbers of all in-
17 dividuals who receive payments under this title, whether
18 directly or indirectly, with the Commissioner of Social Se-
19 curity to determine if the individuals are alive.

20 (b) PRECLUSION.—The Secretary shall preclude the
21 issuance of payments to, and on behalf of, deceased indi-
22 viduals that were not eligible for payments.

23 **SEC. 1609. TECHNICAL CORRECTIONS.**

24 (a) MISSING PUNCTUATION.—Section 359f(c)(1)(B)
25 of the Agricultural Adjustment Act of 1938 (7 U.S.C.

1 1359ff(c)(1)(B)) is amended by adding a period at the
2 end.

3 (b) ERRONEOUS CROSS REFERENCE.—

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

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

14 (c) CONTINUED APPLICABILITY OF APPROPRIATIONS
15 GENERAL PROVISION.—Section 767 of division A of Pub-
16 lic Law 108–7 (7 U.S.C. 7911 note; 117 Stat. 48) is
17 amended—

18 (1) by striking “(a)”;

19 (2) by striking “sections 1101 and 1102 of
20 Public Law 107–171” and inserting “subtitle A of
21 title I of the Agricultural Act of 2014”; and

22 (3) by striking “such section 1102” and insert-
23 ing “such subtitle”; and

24 (4) by striking subsection (b).

1 **SEC. 1610. APPEALS.**

2 (a) DIRECTION, CONTROL, AND SUPPORT.—Section
3 272 of the Department of Agriculture Reorganization Act
4 of 1994 (7 U.S.C. 6992) is amended by striking sub-
5 section (c) and inserting the following:

6 “(c) DIRECTION, CONTROL, AND SUPPORT.—

7 “(1) DIRECTION AND CONTROL.—

8 “(A) IN GENERAL.—Except as provided in
9 paragraph (2), the Director shall be free from
10 the direction and control of any person other
11 than the Secretary or the Deputy Secretary of
12 Agriculture.

13 “(B) ADMINISTRATIVE SUPPORT.—The Di-
14 vision shall not receive administrative support
15 (except on a reimbursable basis) from any agen-
16 cy other than the Office of the Secretary.

17 “(C) PROHIBITION ON DELEGATION.—The
18 Secretary may not delegate to any other officer
19 or employee of the Department, other than the
20 Deputy Secretary of Agriculture or the Direc-
21 tor, the authority of the Secretary with respect
22 to the Division.

23 “(2) EXCEPTION.—The Assistant Secretary for
24 Administration is authorized to investigate, enforce,
25 and implement the provisions in law, Executive
26 order, or regulations that relate in general to com-

1 petitive and excepted service positions and employ-
2 ment within the Division, including the position of
3 Director, and such authority may be further dele-
4 gated to subordinate officials.”.

5 (b) CONFORMING AMENDMENT.—Section 296(b) of
6 the Department of Agriculture Reorganization Act of
7 1994 (7 U.S.C. 7014(b)) is amended—

8 (1) in the matter preceding paragraph (1) by
9 striking “affect—” and inserting “affect:”;

10 (2) by striking “the authority” each place it ap-
11 pears in paragraphs (1) through (7) and inserting
12 “The authority”;

13 (3) by striking the semicolon at the end of each
14 of paragraphs (1) through (5) and inserting a pe-
15 riod;

16 (4) in paragraph (6)(C), by striking “; or” at
17 the end and inserting a period; and

18 (5) by adding at the end the following:

19 “(8) The authority of the Secretary to carry out
20 amendments made to this title by the Agricultural
21 Act of 2014.”.

22 **SEC. 1611. ASSIGNMENT OF PAYMENTS.**

23 (a) IN GENERAL.—The provisions of section 8(g) of
24 the Soil Conservation and Domestic Allotment Act (16

1 U.S.C. 590h(g)), relating to assignment of payments, shall
2 apply to payments made under this title.

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

7 **SEC. 1612. TRACKING OF BENEFITS.**

8 As soon as practicable after the date of enactment
9 of this Act, the Secretary may track the benefits provided,
10 directly or indirectly, to individuals and entities under ti-
11 tles I and II and the amendments made by those titles.

12 **SEC. 1613. SIGNATURE AUTHORITY.**

13 (a) IN GENERAL.—In carrying out this title and title
14 II and amendments made by those titles, if the Secretary
15 approves a document, the Secretary shall not subsequently
16 determine the document is inadequate or invalid because
17 of the lack of authority of any person signing the docu-
18 ment on behalf of the applicant or any other individual,
19 entity, general partnership, or joint venture, or the docu-
20 ments relied upon were determined inadequate or invalid,
21 unless the person signing the program document know-
22 ingly and willfully falsified the evidence of signature au-
23 thority or a signature.

24 (b) AFFIRMATION.—

1 (1) IN GENERAL.—Nothing in this section pro-
2 hibits the Secretary from asking a proper party to
3 affirm any document that otherwise would be consid-
4 ered approved under subsection (a).

5 (2) NO RETROACTIVE EFFECT.—A denial of
6 benefits based on a lack of affirmation under para-
7 graph (1) shall not be retroactive with respect to
8 third-party producers who were not the subject of
9 the erroneous representation of authority, if the
10 third-party producers—

11 (A) relied on the prior approval by the Sec-
12 retary of the documents in good faith; and

13 (B) substantively complied with all pro-
14 gram requirements.

15 **SEC. 1614. IMPLEMENTATION.**

16 (a) MAINTENANCE OF BASE ACRES AND PAYMENT
17 YIELDS.—The Secretary shall maintain, for each covered
18 commodity and upland cotton, base acres and payment
19 yields on a farm established under sections 1001 and 1301
20 of the Food, Conservation, and Energy Act of 2008 (7
21 U.S.C. 8702, 8751), as adjusted pursuant to sections
22 1101, 1102, 1108, and 1302 of such Act (7 U.S.C. 8711,
23 8712, 8718, 8752), as in effect on September 30, 2013.

24 (b) STREAMLINING.—In implementing this title, the
25 Secretary shall—

1 (1) reduce administrative burdens and costs to
2 producers by streamlining and reducing paperwork,
3 forms, and other administrative requirements, in-
4 cluding through the implementation of the Acreage
5 Crop Reporting and Streamlining Initiative that, in
6 part, shall ensure that—

7 (A) a producer (or an agent of a producer)
8 may report information, electronically (includ-
9 ing geospatial data) or conventionally, to the
10 Department; and

11 (B) upon the request of the producer (or
12 agent thereof) the Department of Agriculture
13 electronically shares with the producer (or
14 agent) in real time and without cost to the pro-
15 ducer (or agent) the common land unit data, re-
16 lated farm level data, and other information of
17 the producer;

18 (2) improve coordination, information sharing,
19 and administrative work with the Farm Service
20 Agency, Risk Management Agency, and the Natural
21 Resources Conservation Service; and

22 (3) take advantage of new technologies to en-
23 hance efficiency and effectiveness of program deliv-
24 ery to producers.

25 (c) IMPLEMENTATION.—

1 (1) IN GENERAL.—The Secretary shall make
2 available to the Farm Service Agency to carry out
3 this title \$100,000,000.

4 (2) ADDITIONAL FUNDS.—

5 (A) INITIAL DETERMINATION.—If, by Sep-
6 tember 30, 2014, the Secretary notifies the
7 Committee on Agriculture of the House of Rep-
8 resentatives and the Committee on Agriculture,
9 Nutrition, and Forestry of the Senate that the
10 Farm Service Agency has made substantial
11 progress toward implementing the requirements
12 of subsection (b)(1), the Secretary shall make
13 available to the Farm Service Agency to carry
14 out this title \$10,000,000 on October 1, 2014.
15 The amount made available under this subpara-
16 graph is in addition to the amount made avail-
17 able under paragraph (1).

18 (B) SUBSEQUENT DETERMINATION.—If,
19 by September 30, 2015, the Secretary notifies
20 the Committee on Agriculture of the House of
21 Representatives and the Committee on Agri-
22 culture, Nutrition, and Forestry of the Senate
23 that the requirements of subsection (b)(1) have
24 been fully implemented and those Committees
25 provide written concurrence to the Secretary,

1 the Secretary shall make available to the Farm
2 Service Agency to carry out this title
3 \$10,000,000 on the date the written concur-
4 rence is provided or October 1, 2015, whichever
5 is later. The amount made available under this
6 subparagraph is in addition to the amount
7 made available under paragraph (1) and any
8 amount made available under subparagraph
9 (A).

10 (3) PRODUCER EDUCATION.—

11 (A) IN GENERAL.—Of the funds made
12 available under paragraph (1), the Secretary
13 shall provide \$3,000,000 to State extension
14 services for the purpose of educating farmers
15 and ranchers on the options made available
16 under subtitles A, D, and E of this title and
17 under section 196 of the Federal Agriculture
18 Improvement and Reform Act of 1996 (7
19 U.S.C. 7333).

20 (B) WEB-BASED DECISION AIDS.—

21 (i) USE OF QUALIFIED UNIVER-
22 SITIES.—Of the funds made available
23 under paragraph (1), the Secretary shall
24 use \$3,000,000 to support qualified univer-
25 sities (or university-based organizations)

1 that represent a diversity of regions and
2 commodities (including dairy), possess ex-
3 pertise regarding the programs authorized
4 by this Act, have a history in the develop-
5 ment of decision aids and producer out-
6 reach initiatives regarding farm risk man-
7 agement programs, and are able to meet
8 the deadline established pursuant to clause
9 (ii) to develop web-based decision aids to
10 assist producers in understanding available
11 options described in subparagraph (A) and
12 to train producers to use these decision
13 aids.

14 (ii) DEADLINES.—To the maximum
15 extent practicable, the Secretary shall—

16 (I) obligate the funds made avail-
17 able under clause (i) within 30 days
18 after the date of the enactment of this
19 Act; and

20 (II) require the products de-
21 scribed in clause (i) to be made avail-
22 able to producers on the internet with-
23 in a reasonable period of time, as de-
24 termined by the Secretary, after the
25 implementation of the first rule imple-

1 menting programs required under
2 subtitle A of this title.

3 (d) LOAN IMPLEMENTATION.—

4 (1) IN GENERAL.—In any crop year in which
5 an order is issued pursuant 2 U.S.C. 901(a), the
6 Secretary shall use such sums as necessary of the
7 funds of the Commodity Credit Corporation for such
8 crop year to fully restore the support, loan, or assist-
9 ance that is otherwise required under subtitles B or
10 C of this title or under the amendments made by
11 subtitles B or C, except with respect to the assist-
12 ance provided under sections 1207(c) and 1208.

13 (2) REPAYMENT.—In carrying out this sub-
14 section, the Secretary shall ensure that when a pro-
15 ducer repays a loan at a rate equal to the loan rate
16 plus interest in accordance with the repayment pro-
17 visions of subtitles B or C that the repayment
18 amount shall include the portion of the loan amount
19 provided under paragraph (1), except that this para-
20 graph shall not affect or reduce marketing loan
21 gains, loan deficiency payments, or forfeiture bene-
22 fits provided for under subtitles B or C and as sup-
23 plemented in accordance with paragraph (1).

1 **SEC. 1615. RESEARCH OPTION.**

2 (a) IN GENERAL.—Notwithstanding section 4(m) of
3 the Commodity Credit Corporation Charter Act (15
4 U.S.C. 714b(m)), funds of the Commodity Credit Cor-
5 poration disbursed pursuant to the memorandum of un-
6 derstanding between the Government of the United States
7 of America and the Government of the Federative Repub-
8 lic of Brazil regarding a fund for technical assistance and
9 capacity building with respect to dispute WT/DS 267 in
10 the World Trade Organization may, upon resolution of the
11 dispute, be used for research consistent with the condi-
12 tions imposed by subsection (b).

13 (b) CONDITIONS.—Research authorized by subsection
14 (a) must be conducted in collaboration with research agen-
15 cies of the United States Department of Agriculture or
16 with a college, university, or research foundation located
17 in the United States. Such research and collaboration
18 shall be subject to the agreement of the parties to the re-
19 solved dispute described in subsection (a).

1 **TITLE II—CONSERVATION**
2 **Subtitle A—Conservation Reserve**
3 **Program**

4 **SEC. 2001. EXTENSION AND ENROLLMENT REQUIREMENTS**
5 **OF CONSERVATION RESERVE PROGRAM.**

6 (a) EXTENSION.—Section 1231(a) of the Food Secu-
7 rity Act of 1985 (16 U.S.C. 3831(a)) is amended by strik-
8 ing “2012” and inserting “2018”.

9 (b) ELIGIBLE LAND.—Section 1231(b) of the Food
10 Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

11 (1) in paragraph (1)(B), by striking “the date
12 of enactment of the Food, Conservation, and Energy
13 Act of 2008” and inserting “the date of enactment
14 of the Agricultural Act of 2014”;

15 (2) by striking paragraph (2) and redesignating
16 paragraph (3) as paragraph (2);

17 (3) by inserting before paragraph (4) the fol-
18 lowing new paragraph:

19 “(3) grasslands that—

20 “(A) contain forbs or shrubland (including
21 improved rangeland and pastureland) for which
22 grazing is the predominant use;

23 “(B) are located in an area historically
24 dominated by grasslands; and

1 “(C) could provide habitat for animal and
2 plant populations of significant ecological value
3 if the land is retained in its current use or re-
4 stored to a natural condition;”;

5 (4) in paragraph (4)(C), by striking
6 “filterstrips devoted to trees or shrubs” and insert-
7 ing “filterstrips or riparian buffers devoted to trees,
8 shrubs, or grasses”; and

9 (5) by striking paragraph (5) and inserting the
10 following new paragraph:

11 “(5) the portion of land in a field not enrolled
12 in the conservation reserve in a case in which—

13 “(A) more than 50 percent of the land in
14 the field is enrolled as a buffer or filterstrip, or
15 more than 75 percent of the land in the field
16 is enrolled as a conservation practice other than
17 as a buffer or filterstrip; and

18 “(B) the remainder of the field is—

19 “(i) infeasible to farm; and

20 “(ii) enrolled at regular rental rates.”.

21 (c) PLANTING STATUS OF CERTAIN LAND.—Section
22 1231(c) of the Food Security Act of 1985 (16 U.S.C.
23 3831(c)) is amended by striking “if” and all that follows
24 through the period at the end and inserting “if, during
25 the crop year, the land was devoted to a conserving use.”.

1 (d) ENROLLMENT.—Subsection (d) of section 1231
2 of the Food Security Act of 1985 (16 U.S.C. 3831) is
3 amended to read as follows:

4 “(d) ENROLLMENT.—

5 “(1) MAXIMUM ACREAGE ENROLLED.—The
6 Secretary may maintain in the conservation reserve
7 at any one time during—

8 “(A) fiscal year 2014, no more than
9 27,500,000 acres;

10 “(B) fiscal year 2015, no more than
11 26,000,000 acres;

12 “(C) fiscal year 2016, no more than
13 25,000,000 acres;

14 “(D) fiscal year 2017, no more than
15 24,000,000 acres; and

16 “(E) fiscal year 2018, no more than
17 24,000,000 acres.

18 “(2) GRASSLANDS.—

19 “(A) LIMITATION.—For purposes of apply-
20 ing the limitations in paragraph (1), no more
21 than 2,000,000 acres of the land described in
22 subsection (b)(3) may be enrolled in the pro-
23 gram at any one time during the 2014 through
24 2018 fiscal years.

1 “(B) PRIORITY.—In enrolling acres under
2 subparagraph (A), the Secretary may give pri-
3 ority to land with expiring conservation reserve
4 program contracts.

5 “(C) METHOD OF ENROLLMENT.—In en-
6 rolling acres under subparagraph (A), the Sec-
7 retary shall make the program available to own-
8 ers or operators of eligible land on a continuous
9 enrollment basis with one or more ranking peri-
10 ods.”.

11 (e) DURATION OF CONTRACT.—Section 1231(e) of
12 the Food Security Act of 1985 (16 U.S.C. 3831(e)) is
13 amended by striking paragraphs (2) and (3) and inserting
14 the following new paragraph:

15 “(2) SPECIAL RULE FOR CERTAIN LAND.—In
16 the case of land devoted to hardwood trees,
17 shelterbelts, windbreaks, or wildlife corridors under
18 a contract entered into under this subchapter, the
19 owner or operator of the land may, within the limita-
20 tions prescribed under paragraph (1), specify the du-
21 ration of the contract.”.

22 (f) CONSERVATION PRIORITY AREAS.—Section
23 1231(f) of the Food Security Act of 1985 (16 U.S.C.
24 3831(f)) is amended—

1 (1) in paragraph (1), by striking “watershed
2 areas of the Chesapeake Bay Region, the Great
3 Lakes Region, the Long Island Sound Region, and
4 other”;

5 (2) in paragraph (2), by striking “WATER-
6 SHEDS.—Watersheds” and inserting “AREAS.—
7 Areas”; and

8 (3) in paragraph (3), by striking “a watershed’s
9 designation—” and all that follows through the pe-
10 riod at the end and inserting “an area’s designation
11 if the Secretary finds that the area no longer con-
12 tains actual and significant adverse water quality or
13 habitat impacts related to agricultural production
14 activities.”.

15 **SEC. 2002. FARMABLE WETLAND PROGRAM.**

16 (a) EXTENSION.—Section 1231B(a)(1) of the Food
17 Security Act of 1985 (16 U.S.C. 3831b(a)(1)) is amend-
18 ed—

19 (1) by striking “2012” and inserting “2018”;
20 and

21 (2) by striking “a program” and inserting “a
22 farmable wetland program”.

23 (b) ELIGIBLE ACREAGE.—Section 1231B(b)(1)(B) of
24 the Food Security Act of 1985 (16 U.S.C.
25 3831b(b)(1)(B)) is amended by striking “flow from a row

1 crop agriculture drainage system” and inserting “surface
2 and subsurface flow from row crop agricultural produc-
3 tion”.

4 (c) ACREAGE LIMITATION.—Section 1231B(c)(1)(B)
5 of the Food Security Act of 1985 (16 U.S.C.
6 3831b(c)(1)(B)) is amended by striking “1,000,000” and
7 inserting “750,000”.

8 (d) CLERICAL AMENDMENTS.—Section 1231B of the
9 Food Security Act of 1985 (16 U.S.C. 3831b) is amend-
10 ed—

11 (1) by striking the heading and inserting the
12 following: “**FARMABLE WETLAND PROGRAM**”;
13 and

14 (2) in subsection (f)(2), by striking “section
15 1234(c)(2)(B)” and inserting “section
16 1234(d)(2)(A)(ii)”.

17 **SEC. 2003. DUTIES OF OWNERS AND OPERATORS.**

18 (a) LIMITATION ON HARVESTING, GRAZING, OR COM-
19 Mercial Use of Forage.—Section 1232(a)(8) of the
20 Food Security Act of 1985 (16 U.S.C. 3832(a)(8)) is
21 amended by striking “except that” and all that follows
22 through the semicolon at the end of the paragraph and
23 inserting “except as provided in subsection (b) or (c) of
24 section 1233;”.

1 (b) CONSERVATION PLAN REQUIREMENTS.—Sub-
2 section (b) of section 1232 of the Food Security Act of
3 1985 (16 U.S.C. 3832) is amended to read as follows:

4 “(b) CONSERVATION PLANS.—The plan referred to
5 in subsection (a)(1) shall set forth—

6 “(1) the conservation measures and practices to
7 be carried out by the owner or operator during the
8 term of the contract; and

9 “(2) the commercial use, if any, to be permitted
10 on the land during the term.”.

11 (c) RENTAL PAYMENT REDUCTION.—Section 1232
12 of the Food Security Act of 1985 (16 U.S.C. 3832) is
13 amended by striking subsection (d).

14 **SEC. 2004. DUTIES OF THE SECRETARY.**

15 Section 1233 of the Food Security Act of 1985 (16
16 U.S.C. 3833) is amended to read as follows:

17 **“SEC. 1233. DUTIES OF THE SECRETARY.**

18 “(a) COST-SHARE AND RENTAL PAYMENTS.—In re-
19 turn for a contract entered into by an owner or operator
20 under the conservation reserve program, the Secretary
21 shall—

22 “(1) share the cost of carrying out the con-
23 servation measures and practices set forth in the
24 contract for which the Secretary determines that

1 cost sharing is appropriate and in the public inter-
2 est; and

3 “(2) for a period of years not in excess of the
4 term of the contract, pay an annual rental payment
5 in an amount necessary to compensate for—

6 “(A) the conversion of highly erodible crop-
7 land or other eligible lands normally devoted to
8 the production of an agricultural commodity on
9 a farm or ranch to a less intensive use;

10 “(B) the retirement of any base history
11 that the owner or operator agrees to retire per-
12 manently; and

13 “(C) the development and management of
14 grasslands for multiple natural resource con-
15 servation benefits, including to soil, water, air,
16 and wildlife.

17 “(b) SPECIFIED ACTIVITIES PERMITTED.—The Sec-
18 retary shall permit certain activities or commercial uses
19 of land that is subject to a contract under the conservation
20 reserve program if those activities or uses are consistent
21 with a plan approved by the Secretary and include—

22 “(1) harvesting, grazing, or other commercial
23 use of the forage in response to a drought, flooding,
24 or other emergency, without any reduction in the
25 rental rate;

1 “(2) consistent with the conservation of soil,
2 water quality, and wildlife habitat (including habitat
3 during primary nesting seasons for birds in the
4 area), and in exchange for a reduction of not less
5 than 25 percent in the annual rental rate for the
6 acres covered by the authorized activity, managed
7 harvesting and other commercial use (including the
8 managed harvesting of biomass), except that in per-
9 mitting those activities, the Secretary, in coordina-
10 tion with the State technical committee—

11 “(A) shall develop appropriate vegetation
12 management requirements; and

13 “(B) shall identify periods during which
14 the activities may be conducted, such that the
15 frequency is at least every 5 but not more than
16 once every 3 years;

17 “(3) subject to appropriate restrictions during
18 the nesting season for birds in the local area that
19 are economically significant, in significant decline, or
20 conserved in accordance with Federal or State law,
21 as determined by the Secretary in consultation with
22 the State technical committee, and in exchange for
23 a reduction of not less than 25 percent in the annual
24 rental rate for the acres covered by the authorized
25 activity—

1 “(A) prescribed grazing for the control of
2 invasive species, which may be conducted annu-
3 ally;

4 “(B) routine grazing, except that in per-
5 mitting such routine grazing, the Secretary, in
6 coordination with the State technical com-
7 mittee—

8 “(i) shall develop appropriate vegeta-
9 tion management requirements and stock-
10 ing rates for the land that are suitable for
11 continued routine grazing; and

12 “(ii) shall identify the periods during
13 which routine grazing may be conducted,
14 such that the frequency is not more than
15 once every 2 years, taking into consider-
16 ation regional differences such as—

17 “(I) climate, soil type, and nat-
18 ural resources;

19 “(II) the number of years that
20 should be required between routine
21 grazing activities; and

22 “(III) how often during a year in
23 which routine grazing is permitted
24 that routine grazing should be allowed
25 to occur; and

1 “(C) the installation of wind turbines and
2 associated access, except that in permitting the
3 installation of wind turbines, the Secretary shall
4 determine the number and location of wind tur-
5 bines that may be installed, taking into ac-
6 count—

7 “(i) the location, size, and other phys-
8 ical characteristics of the land;

9 “(ii) the extent to which the land con-
10 tains threatened or endangered wildlife and
11 wildlife habitat; and

12 “(iii) the purposes of the conservation
13 reserve program under this subchapter;

14 “(4) the intermittent and seasonal use of vege-
15 tative buffer practices incidental to agricultural pro-
16 duction on lands adjacent to the buffer such that the
17 permitted use does not destroy the permanent vege-
18 tative cover; and

19 “(5) grazing by livestock of a beginning farmer
20 or rancher without any reduction in the rental rate,
21 if the grazing is—

22 “(A) consistent with the conservation of
23 soil, water quality, and wildlife habitat;

24 “(B) subject to appropriate restrictions
25 during the nesting season for birds in the local

1 area that are economically significant, in sig-
2 nificant decline, or conserved in accordance
3 with Federal or State law, as determined by the
4 Secretary in consultation with the State tech-
5 nical committee; and

6 “(C) described in subparagraph (A) or (B)
7 of paragraph (3).

8 “(c) AUTHORIZED ACTIVITIES ON GRASSLANDS.—
9 For eligible land described in section 1231(b)(3), the Sec-
10 retary shall permit the following activities:

11 “(1) Common grazing practices, including
12 maintenance and necessary cultural practices, on the
13 land in a manner that is consistent with maintaining
14 the viability of grassland, forb, and shrub species ap-
15 propriate to that locality.

16 “(2) Haying, mowing, or harvesting for seed
17 production, subject to appropriate restrictions dur-
18 ing the nesting season for birds in the local area
19 that are economically significant, in significant de-
20 cline, or conserved in accordance with Federal or
21 State law, as determined by the Secretary in con-
22 sultation with the State technical committee.

23 “(3) Fire suppression, fire-related rehabilita-
24 tion, and construction of fire breaks.

1 “(4) Grazing-related activities, such as fencing
2 and livestock watering.

3 “(d) RESOURCE CONSERVING USE.—

4 “(1) IN GENERAL.—Beginning on the date that
5 is 1 year before the date of termination of a contract
6 under the program, the Secretary shall allow an
7 owner or operator to make conservation and land
8 improvements for economic use that facilitate main-
9 taining protection of enrolled land after expiration of
10 the contract.

11 “(2) CONSERVATION PLAN.—The Secretary
12 shall require an owner or operator carrying out the
13 activities described in paragraph (1) to develop and
14 implement a conservation plan.

15 “(3) RE-ENROLLMENT PROHIBITED.—Land im-
16 proved under paragraph (1) may not be re-enrolled
17 in the conservation reserve program for 5 years after
18 the date of termination of the contract.

19 “(4) PAYMENT REDUCTION.—In the case of an
20 activity carried out under paragraph (1), the Sec-
21 retary shall reduce the payment otherwise payable
22 under the contract by an amount commensurate
23 with the economic value of the activity.”.

1 **SEC. 2005. PAYMENTS.**

2 (a) TREES, WINDBREAKS, SHELTERBELTS, AND
3 WILDLIFE CORRIDORS.—Section 1234(b)(3)(A) of the
4 Food Security Act of 1985 (16 U.S.C. 3834(b)(3)(A)) is
5 amended to read as follows:

6 “(A) APPLICABILITY.—This paragraph ap-
7 plies to land devoted to the production of hard-
8 wood trees, windbreaks, shelterbelts, or wildlife
9 corridors under a contract entered into under
10 this subchapter after November 28, 1990.”.

11 (b) INCENTIVES FOR THINNING.—Section 1234 of
12 the Food Security Act of 1985 (16 U.S.C. 3834) is
13 amended—

14 (1) in subsection (b)—

15 (A) in the heading, by striking “FEDERAL
16 PERCENTAGE OF”; and

17 (B) in paragraph (3)(B)—

18 (i) in clause (i), by striking “or
19 thinning”; and

20 (ii) by amending clause (ii) to read as
21 follows:

22 “(ii) DURATION.—The Secretary shall
23 make payments as described in clause (i)
24 for a period of not less than 2 years, but
25 not more than 4 years, beginning on the

1 date of the planting of the trees or
2 shrubs.”;

3 (2) by redesignating subsections (c) through (g)
4 as subsections (d) through (h), respectively; and

5 (3) by inserting after subsection (b) the fol-
6 lowing:

7 “(c) INCENTIVE PAYMENTS.—

8 “(1) IN GENERAL.—The Secretary may make
9 incentive payments to an owner or operator of eligi-
10 ble land in an amount sufficient to encourage proper
11 thinning and other practices to improve the condi-
12 tion of resources, promote forest management, or
13 enhance wildlife habitat on the land.

14 “(2) LIMITATION.—A payment described in
15 paragraph (1) may not exceed 150 percent of the
16 total cost of thinning and other practices conducted
17 by the owner or operator.”.

18 (c) ANNUAL RENTAL PAYMENTS.—Section 1234(d)
19 of the Food Security Act of 1985 (as redesignated by sub-
20 section (b)(2)) is amended—

21 (1) in paragraph (1), by inserting “or other eli-
22 gible lands” after “highly erodible cropland” both
23 places it appears;

24 (2) by striking paragraph (2) and inserting the
25 following new paragraph:

1 “(2) METHODS OF DETERMINATION.—

2 “(A) IN GENERAL.—The amounts payable
3 to owners or operators in the form of rental
4 payments under contracts entered into under
5 this subchapter may be determined through—

6 “(i) the submission of bids for such
7 contracts by owners and operators in such
8 manner as the Secretary may prescribe; or

9 “(ii) such other means as the Sec-
10 retary determines are appropriate.

11 “(B) GRASSLANDS.—In the case of eligible
12 land described in section 1231(b)(3), the Sec-
13 retary shall make annual payments in an
14 amount that is not more than 75 percent of the
15 grazing value of the land covered by the con-
16 tract.”; and

17 (3) in paragraph (5)—

18 (A) in subparagraph (A), by striking “con-
19 duct an annual survey” and inserting “, not
20 less frequently than once every other year, con-
21 duct a survey”;

22 (B) in subparagraph (B), by striking “an-
23 nual”; and

24 (C) by adding at the end the following:

1 “(C) USE.—The Secretary may use the es-
2 timates derived from the survey conducted
3 under subparagraph (A) relating to dryland
4 cash rental rates as a factor in determining
5 rental rates under this section in a manner de-
6 termined appropriate by the Secretary.”.

7 (d) PAYMENT SCHEDULE.—Subsection (e) of section
8 1234 of the Food Security Act of 1985 (as redesignated
9 by subsection (b)(2)) is amended to read as follows:

10 “(e) PAYMENT SCHEDULE.—

11 “(1) IN GENERAL.—Except as otherwise pro-
12 vided in this section, payments under this sub-
13 chapter shall be made in cash in such amount and
14 on such time schedule as is agreed on and specified
15 in the contract.

16 “(2) ADVANCE PAYMENT.—Payments under
17 this subchapter may be made in advance of deter-
18 mination of performance.”.

19 (e) PAYMENT LIMITATION.—Section 1234(g) of the
20 Food Security Act of 1985 (as redesignated by subsection
21 (b)(2)) is amended—

22 (1) in paragraph (1), by striking “, including
23 rental payments made in the form of in-kind com-
24 modities,”;

25 (2) by striking paragraph (3); and

1 (3) by redesignating paragraph (4) as para-
2 graph (2).

3 **SEC. 2006. CONTRACT REQUIREMENTS.**

4 (a) **EARLY TERMINATION BY OWNER OR OPER-**
5 **ATOR.**—Section 1235(e) of the Food Security Act of 1985
6 (16 U.S.C. 3835(e)) is amended—

7 (1) in paragraph (1)(A)—

8 (A) by striking “The Secretary” and in-
9 serting “During fiscal year 2015, the Sec-
10 retary”; and

11 (B) by striking “before January 1, 1995,”;

12 (2) in paragraph (2), by striking subparagraph
13 (C) and inserting the following:

14 “(C) Land devoted to hardwood trees.

15 “(D) Wildlife habitat, duck nesting habi-
16 tat, pollinator habitat, upland bird habitat buff-
17 er, wildlife food plots, State acres for wildlife
18 enhancement, shallow water areas for wildlife,
19 and rare and declining habitat.

20 “(E) Farmable wetland and restored wet-
21 land.

22 “(F) Land that contains diversions, ero-
23 sion control structures, flood control structures,
24 contour grass strips, living snow fences, salinity

1 reducing vegetation, cross wind trap strips, and
2 sediment retention structures.

3 “(G) Land located within a federally des-
4 ignated wellhead protection area.

5 “(H) Land that is covered by an easement
6 under the conservation reserve program.

7 “(I) Land located within an average width,
8 according to the applicable Natural Resources
9 Conservation Service field office technical guide,
10 of a perennial stream or permanent water body.

11 “(J) Land enrolled under the conservation
12 reserve enhancement program.”; and

13 (3) in paragraph (3), by striking “60 days after
14 the date on which the owner or operator submits the
15 notice required under paragraph (1)(C)” and insert-
16 ing “upon approval by the Secretary”.

17 (b) TRANSITION OPTION FOR CERTAIN FARMERS OR
18 RANCHERS.—Section 1235(f) of the Food Security Act of
19 1985 (16 U.S.C. 3835(f)) is amended—

20 (1) in paragraph (1)—

21 (A) in the matter preceding subparagraph
22 (A), by striking “DUTIES” and all that follows
23 through “a beginning farmer or rancher or”
24 and inserting “TRANSITION TO COVERED FARM-
25 ER OR RANCHER.—In the case of a contract

1 modification approved in order to facilitate the
2 transfer of land subject to a contract from a re-
3 tired farmer or rancher to a beginning farmer
4 or rancher, a veteran farmer or rancher (as de-
5 fined in section 2501(e) of the Food, Agri-
6 culture, Conservation, and Trade Act of 1990
7 (7 U.S.C. 2279(e))), or a”;

8 (B) in subparagraph (A)(i), by inserting “,
9 including preparing to plant an agricultural
10 crop” after “improvements”;

11 (C) in subparagraph (D), by striking “the
12 farmer or rancher” and inserting “the covered
13 farmer or rancher”; and

14 (D) in subparagraph (E), by striking “sec-
15 tion 1001A(b)(3)(B)” and inserting “section
16 1001”; and

17 (2) in paragraph (2), by striking “requirement
18 of section 1231(h)(4)(B)” and inserting “option pur-
19 suant to section 1234(d)(2)(A)(ii)”.

20 (c) FINAL YEAR CONTRACT.—Section 1235 of the
21 Food Security Act of 1985 (16 U.S.C. 3835) is amended
22 by adding at the end the following new subsections:

23 “(g) FINAL YEAR OF CONTRACT.—The Secretary
24 shall not consider an owner or operator to be in violation

1 of a term or condition of the conservation reserve contract
2 if—

3 “(1) during the year prior to expiration of the
4 contract, the land is enrolled in the conservation
5 stewardship program; and

6 “(2) the activity required under the conserva-
7 tion stewardship program pursuant to such enroll-
8 ment is consistent with this subchapter.

9 “(h) LAND ENROLLED IN AGRICULTURAL CON-
10 SERVATION EASEMENT PROGRAM.—The Secretary may
11 terminate or modify a contract entered into under this
12 subchapter if eligible land that is subject to such contract
13 is transferred into the agricultural conservation easement
14 program under subtitle H.”.

15 **SEC. 2007. CONVERSION OF LAND SUBJECT TO CONTRACT**
16 **TO OTHER CONSERVING USES.**

17 Section 1235A of the Food Security Act of 1985 (16
18 U.S.C. 3835a) is repealed.

19 **SEC. 2008. EFFECT ON EXISTING CONTRACTS.**

20 (a) IN GENERAL.—Except as provided in paragraph
21 (2), the amendments made by this subtitle shall not affect
22 the validity or terms of any contract entered into by the
23 Secretary of Agriculture under subchapter B of chapter
24 1 of subtitle D of title XII of the Food Security Act of
25 1985 (16 U.S.C. 3831 et seq.) before the date of enact-

1 ment of the Agricultural Act of 2014, or any payments
2 required to be made in connection with the contract.

3 (b) UPDATING OF EXISTING CONTRACTS.—The Sec-
4 retary shall permit an owner or operator of land subject
5 to a contract entered into under subchapter B of chapter
6 1 of subtitle D of title XII of the Food Security Act of
7 1985 (16 U.S.C. 3831 et seq.) before the date of enact-
8 ment of the Agricultural Act of 2014, to update the con-
9 tract to reflect the activities and uses of land under con-
10 tract permitted under the terms and conditions of section
11 1233(b) of that Act (as amended by section 2004), as de-
12 termined appropriate by the Secretary.

13 **Subtitle B—Conservation** 14 **Stewardship Program**

15 **SEC. 2101. CONSERVATION STEWARDSHIP PROGRAM.**

16 (a) REVISION OF CURRENT PROGRAM.—Subchapter
17 B of chapter 2 of subtitle D of title XII of the Food Secu-
18 rity Act of 1985 (16 U.S.C. 3838d et seq.) is amended
19 to read as follows:

20 **“Subchapter B—Conservation Stewardship** 21 **Program**

22 **“SEC. 1238D. DEFINITIONS.**

23 “In this subchapter:

1 “(1) AGRICULTURAL OPERATION.—The term
2 ‘agricultural operation’ means all eligible land,
3 whether or not contiguous, that is—

4 “(A) under the effective control of a pro-
5 ducer at the time the producer enters into a
6 contract under the program; and

7 “(B) operated with equipment, labor, man-
8 agement, and production or cultivation prac-
9 tices that are substantially separate from other
10 agricultural operations, as determined by the
11 Secretary.

12 “(2) CONSERVATION ACTIVITIES.—

13 “(A) IN GENERAL.—The term ‘conserva-
14 tion activities’ means conservation systems,
15 practices, or management measures.

16 “(B) INCLUSIONS.—The term ‘conserva-
17 tion activities’ includes—

18 “(i) structural measures, vegetative
19 measures, and land management measures,
20 including agriculture drainage manage-
21 ment systems, as determined by the Sec-
22 retary; and

23 “(ii) planning needed to address a pri-
24 ority resource concern.

1 “(3) CONSERVATION STEWARDSHIP PLAN.—

2 The term ‘conservation stewardship plan’ means a
3 plan that—

4 “(A) identifies and inventories priority re-
5 source concerns;

6 “(B) establishes benchmark data and con-
7 servation objectives;

8 “(C) describes conservation activities to be
9 implemented, managed, or improved; and

10 “(D) includes a schedule and evaluation
11 plan for the planning, installation, and manage-
12 ment of the new and existing conservation ac-
13 tivities.

14 “(4) ELIGIBLE LAND.—

15 “(A) IN GENERAL.—The term ‘eligible
16 land’ means—

17 “(i) private or tribal land on which
18 agricultural commodities, livestock, or for-
19 est-related products are produced; and

20 “(ii) lands associated with the land
21 described in clause (i) on which priority re-
22 source concerns could be addressed
23 through a contract under the program.

24 “(B) INCLUSIONS.—The term ‘eligible
25 land’ includes—

- 1 “(i) cropland;
- 2 “(ii) grassland;
- 3 “(iii) rangeland;
- 4 “(iv) pasture land;
- 5 “(v) nonindustrial private forest land;

6 and

- 7 “(vi) other land in agricultural areas
- 8 (including cropped woodland, marshes, and
- 9 agricultural land used or capable of being
- 10 used for the production of livestock), as de-
- 11 termined by the Secretary.

12 “(5) PRIORITY RESOURCE CONCERN.—The

13 term ‘priority resource concern’ means a natural re-

14 source concern or problem, as determined by the

15 Secretary, that—

16 “(A) is identified at the national, State, or

17 local level as a priority for a particular area of

18 a State;

19 “(B) represents a significant concern in a

20 State or region; and

21 “(C) is likely to be addressed successfully

22 through the implementation of conservation ac-

23 tivities under this program.

1 “(6) PROGRAM.—The term ‘program’ means
2 the conservation stewardship program established by
3 this subchapter.

4 “(7) STEWARDSHIP THRESHOLD.—The term
5 ‘stewardship threshold’ means the level of manage-
6 ment required, as determined by the Secretary, to
7 conserve and improve the quality and condition of a
8 natural resource.

9 **“SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.**

10 “(a) ESTABLISHMENT AND PURPOSE.—During each
11 of fiscal years 2014 through 2018, the Secretary shall
12 carry out a conservation stewardship program to encour-
13 age producers to address priority resource concerns and
14 improve and conserve the quality and condition of natural
15 resources in a comprehensive manner—

16 “(1) by undertaking additional conservation ac-
17 tivities; and

18 “(2) by improving, maintaining, and managing
19 existing conservation activities.

20 “(b) EXCLUSIONS.—

21 “(1) LAND ENROLLED IN OTHER CONSERVA-
22 TION PROGRAMS.—Subject to paragraph (2), the fol-
23 lowing land (even if covered by the definition of eli-
24 gible land) is not eligible for enrollment in the pro-
25 gram:

1 “(A) Land enrolled in the conservation re-
2 serve program, unless—

3 “(i) the conservation reserve contract
4 will expire at the end of the fiscal year in
5 which the land is to be enrolled in the pro-
6 gram; and

7 “(ii) conservation reserve program
8 payments for land enrolled in the program
9 cease before the first program payment is
10 made to the applicant under this sub-
11 chapter.

12 “(B) Land enrolled in a wetland reserve
13 easement through the agricultural conservation
14 easement program.

15 “(C) Land enrolled in the conservation se-
16 curity program.

17 “(2) CONVERSION TO CROPLAND.—Eligible
18 land used for crop production after the date of en-
19 actment of the Agricultural Act of 2014, that had
20 not been planted, considered to be planted, or de-
21 voted to crop production for at least 4 of the 6 years
22 preceding that date shall not be the basis for any
23 payment under the program, unless the land does
24 not meet such requirement because—

1 “(A) the land had previously been enrolled
2 in the conservation reserve program;

3 “(B) the land has been maintained using
4 long-term crop rotation practices, as determined
5 by the Secretary; or

6 “(C) the land is incidental land needed for
7 efficient operation of the farm or ranch, as de-
8 termined by the Secretary.

9 **“SEC. 1238F. STEWARDSHIP CONTRACTS.**

10 “(a) SUBMISSION OF CONTRACT OFFERS.—To be eli-
11 gible to participate in the conservation stewardship pro-
12 gram, a producer shall submit to the Secretary a contract
13 offer for the agricultural operation that—

14 “(1) demonstrates to the satisfaction of the
15 Secretary that the producer, at the time of the con-
16 tract offer, meets or exceeds the stewardship thresh-
17 old for at least 2 priority resource concerns; and

18 “(2) would, at a minimum, meet or exceed the
19 stewardship threshold for at least 1 additional pri-
20 ority resource concern by the end of the stewardship
21 contract by—

22 “(A) installing and adopting additional
23 conservation activities; and

24 “(B) improving, maintaining, and man-
25 aging existing conservation activities across the

1 entire agricultural operation in a manner that
2 increases or extends the conservation benefits in
3 place at the time the contract offer is accepted
4 by the Secretary.

5 “(b) EVALUATION OF CONTRACT OFFERS.—

6 “(1) RANKING OF APPLICATIONS.—In evalu-
7 ating contract offers submitted under subsection (a),
8 the Secretary shall rank applications based on—

9 “(A) the level of conservation treatment on
10 all applicable priority resource concerns at the
11 time of application;

12 “(B) the degree to which the proposed con-
13 servation activities effectively increase conserva-
14 tion performance;

15 “(C) the number of applicable priority re-
16 source concerns proposed to be treated to meet
17 or exceed the stewardship threshold by the end
18 of the contract;

19 “(D) the extent to which other priority re-
20 source concerns will be addressed to meet or ex-
21 ceed the stewardship threshold by the end of
22 the contract period;

23 “(E) the extent to which the actual and
24 anticipated conservation benefits from the con-

1 tract are provided at the least cost relative to
2 other similarly beneficial contract offers; and

3 “(F) the extent to which priority resource
4 concerns will be addressed when transitioning
5 from the conservation reserve program to agri-
6 cultural production.

7 “(2) PROHIBITION.—The Secretary may not as-
8 sign a higher priority to any application because the
9 applicant is willing to accept a lower payment than
10 the applicant would otherwise be eligible to receive.

11 “(3) ADDITIONAL CRITERIA.—The Secretary
12 may develop and use such additional criteria that
13 the Secretary determines are necessary to ensure
14 that national, State, and local priority resource con-
15 cerns are effectively addressed.

16 “(c) ENTERING INTO CONTRACTS.—After a deter-
17 mination that a producer is eligible for the program under
18 subsection (a), and a determination that the contract offer
19 ranks sufficiently high under the evaluation criteria under
20 subsection (b), the Secretary shall enter into a conserva-
21 tion stewardship contract with the producer to enroll the
22 eligible land to be covered by the contract.

23 “(d) CONTRACT PROVISIONS.—

24 “(1) TERM.—A conservation stewardship con-
25 tract shall be for a term of 5 years.

1 “(2) REQUIRED PROVISIONS.—The conservation
2 stewardship contract of a producer shall—

3 “(A) state the amount of the payment the
4 Secretary agrees to make to the producer for
5 each year of the conservation stewardship con-
6 tract under section 1238G(d);

7 “(B) require the producer—

8 “(i) to implement a conservation stew-
9 ardship plan that describes the program
10 purposes to be achieved through 1 or more
11 conservation activities;

12 “(ii) to maintain and supply informa-
13 tion as required by the Secretary to deter-
14 mine compliance with the conservation
15 stewardship plan and any other require-
16 ments of the program; and

17 “(iii) not to conduct any activities on
18 the agricultural operation that would tend
19 to defeat the purposes of the program;

20 “(C) permit all economic uses of the eligi-
21 ble land that—

22 “(i) maintain the agricultural nature
23 of the land; and

1 “(ii) are consistent with the conserva-
2 tion purposes of the conservation steward-
3 ship contract;

4 “(D) include a provision to ensure that a
5 producer shall not be considered in violation of
6 the contract for failure to comply with the con-
7 tract due to circumstances beyond the control
8 of the producer, including a disaster or related
9 condition, as determined by the Secretary;

10 “(E) include provisions requiring that
11 upon the violation of a term or condition of the
12 contract at any time the producer has control
13 of the land—

14 “(i) if the Secretary determines that
15 the violation warrants termination of the
16 contract—

17 “(I) the producer shall forfeit all
18 rights to receive payments under the
19 contract; and

20 “(II) the producer shall refund
21 all or a portion of the payments re-
22 ceived by the producer under the con-
23 tract, including any interest on the
24 payments, as determined by the Sec-
25 retary; or

1 “(ii) if the Secretary determines that
2 the violation does not warrant termination
3 of the contract, the producer shall refund
4 or accept adjustments to the payments
5 provided to the producer, as the Secretary
6 determines to be appropriate;

7 “(F) include provisions in accordance with
8 paragraphs (3) and (4); and

9 “(G) include any additional provisions the
10 Secretary determines are necessary to carry out
11 the program.

12 “(3) CHANGE OF INTEREST IN LAND SUBJECT
13 TO A CONTRACT.—

14 “(A) IN GENERAL.—At the time of appli-
15 cation, a producer shall have control of the eli-
16 gible land to be enrolled in the program. Except
17 as provided in subparagraph (B), a change in
18 the interest of a producer in eligible land cov-
19 ered by a contract under the program shall re-
20 sult in the termination of the contract with re-
21 gard to that land.

22 “(B) TRANSFER OF DUTIES AND
23 RIGHTS.—Subparagraph (A) shall not apply
24 if—

1 “(i) within a reasonable period of time
2 (as determined by the Secretary) after the
3 date of the change in the interest in eligi-
4 ble land covered by a contract under the
5 program, the transferee of the land pro-
6 vides written notice to the Secretary that
7 all duties and rights under the contract
8 have been transferred to, and assumed by,
9 the transferee for the portion of the land
10 transferred;

11 “(ii) the transferee meets the eligi-
12 bility requirements of the program; and

13 “(iii) the Secretary approves the
14 transfer of all duties and rights under the
15 contract.

16 “(4) MODIFICATION AND TERMINATION OF
17 CONTRACTS.—

18 “(A) VOLUNTARY MODIFICATION OR TER-
19 MINATION.—The Secretary may modify or ter-
20 minate a contract with a producer if—

21 “(i) the producer agrees to the modi-
22 fication or termination; and

23 “(ii) the Secretary determines that
24 the modification or termination is in the
25 public interest.

1 “(B) INVOLUNTARY TERMINATION.—The
2 Secretary may terminate a contract if the Sec-
3 retary determines that the producer violated the
4 contract.

5 “(5) REPAYMENT.—If a contract is terminated,
6 the Secretary may, consistent with the purposes of
7 the program—

8 “(A) allow the producer to retain payments
9 already received under the contract; or

10 “(B) require repayment, in whole or in
11 part, of payments received and assess liquidated
12 damages.

13 “(e) CONTRACT RENEWAL.—At the end of the initial
14 5-year contract period, the Secretary may allow the pro-
15 ducer to renew the contract for 1 additional 5-year period
16 if the producer—

17 “(1) demonstrates compliance with the terms of
18 the initial contract;

19 “(2) agrees to adopt and continue to integrate
20 conservation activities across the entire agricultural
21 operation, as determined by the Secretary; and

22 “(3) agrees, by the end of the contract period—

23 “(A) to meet the stewardship threshold of
24 at least 2 additional priority resource concerns
25 on the agricultural operation; or

1 “(B) to exceed the stewardship threshold
2 of 2 existing priority resource concerns that are
3 specified by the Secretary in the initial con-
4 tract.

5 **“SEC. 1238G. DUTIES OF THE SECRETARY.**

6 “(a) IN GENERAL.—To achieve the conservation
7 goals of a contract under the conservation stewardship
8 program, the Secretary shall—

9 “(1) make the program available to eligible pro-
10 ducers on a continuous enrollment basis with 1 or
11 more ranking periods, 1 of which shall occur in the
12 first quarter of each fiscal year;

13 “(2) identify not less than 5 priority resource
14 concerns in a particular watershed or other appro-
15 priate region or area within a State; and

16 “(3) establish a science-based stewardship
17 threshold for each priority resource concern identi-
18 fied under paragraph (2).

19 “(b) ALLOCATION TO STATES.—The Secretary shall
20 allocate acres to States for enrollment, based—

21 “(1) primarily on each State’s proportion of eli-
22 gible land to the total acreage of eligible land in all
23 States; and

24 “(2) also on consideration of—

1 “(A) the extent and magnitude of the con-
2 servation needs associated with agricultural
3 production in each State;

4 “(B) the degree to which implementation
5 of the program in the State is, or will be, effec-
6 tive in helping producers address those needs;
7 and

8 “(C) other considerations to achieve equi-
9 table geographic distribution of funds, as deter-
10 mined by the Secretary.

11 “(c) ACREAGE ENROLLMENT LIMITATION.—During
12 the period beginning on the date of enactment of the Agri-
13 cultural Act of 2014, and ending on September 30, 2022,
14 the Secretary shall, to the maximum extent practicable—

15 “(1) enroll in the program an additional
16 10,000,000 acres for each fiscal year; and

17 “(2) manage the program to achieve a national
18 average rate of \$18 per acre, which shall include the
19 costs of all financial assistance, technical assistance,
20 and any other expenses associated with enrollment
21 or participation in the program.

22 “(d) CONSERVATION STEWARDSHIP PAYMENTS.—

23 “(1) AVAILABILITY OF PAYMENTS.—The Sec-
24 retary shall provide annual payments under the pro-
25 gram to compensate the producer for—

1 “(A) installing and adopting additional
2 conservation activities; and

3 “(B) improving, maintaining, and man-
4 aging conservation activities in place at the ag-
5 ricultural operation of the producer at the time
6 the contract offer is accepted by the Secretary.

7 “(2) PAYMENT AMOUNT.—The amount of the
8 annual payment shall be determined by the Sec-
9 retary and based, to the maximum extent prac-
10 ticable, on the following factors:

11 “(A) Costs incurred by the producer asso-
12 ciated with planning, design, materials, installa-
13 tion, labor, management, maintenance, or train-
14 ing.

15 “(B) Income forgone by the producer.

16 “(C) Expected conservation benefits.

17 “(D) The extent to which priority resource
18 concerns will be addressed through the installa-
19 tion and adoption of conservation activities on
20 the agricultural operation.

21 “(E) The level of stewardship in place at
22 the time of application and maintained over the
23 term of the contract.

24 “(F) The degree to which the conservation
25 activities will be integrated across the entire ag-

1 ricultural operation for all applicable priority
2 resource concerns over the term of the contract.

3 “(G) Such other factors as are determined
4 appropriate by the Secretary.

5 “(3) EXCLUSIONS.—A payment to a producer
6 under this subsection shall not be provided for—

7 “(A) the design, construction, or mainte-
8 nance of animal waste storage or treatment fa-
9 cilities or associated waste transport or transfer
10 devices for animal feeding operations; or

11 “(B) conservation activities for which there
12 is no cost incurred or income forgone to the
13 producer.

14 “(4) DELIVERY OF PAYMENTS.—In making
15 payments under this subsection, the Secretary shall,
16 to the extent practicable—

17 “(A) prorate conservation performance
18 over the term of the contract so as to accommo-
19 date, to the extent practicable, producers earn-
20 ing equal annual payments in each fiscal year;
21 and

22 “(B) make such payments as soon as prac-
23 ticable after October 1 of each fiscal year for
24 activities carried out in the previous fiscal year.

1 “(e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-
2 CONSERVING CROP ROTATIONS.—

3 “(1) AVAILABILITY OF PAYMENTS.—The Sec-
4 retary shall provide additional payments to pro-
5 ducers that, in participating in the program, agree
6 to adopt or improve resource-conserving crop rota-
7 tions to achieve beneficial crop rotations as appro-
8 priate for the eligible land of the producers.

9 “(2) BENEFICIAL CROP ROTATIONS.—The Sec-
10 retary shall determine whether a resource-conserving
11 crop rotation is a beneficial crop rotation eligible for
12 additional payments under paragraph (1) based on
13 whether the resource-conserving crop rotation is de-
14 signed to provide natural resource conservation and
15 production benefits.

16 “(3) ELIGIBILITY.—To be eligible to receive a
17 payment described in paragraph (1), a producer
18 shall agree to adopt and maintain beneficial re-
19 source-conserving crop rotations for the term of the
20 contract.

21 “(4) RESOURCE-CONSERVING CROP ROTA-
22 TION.—In this subsection, the term ‘resource-con-
23 serving crop rotation’ means a crop rotation that—

24 “(A) includes at least 1 resource-con-
25 serving crop (as defined by the Secretary);

1 “(B) reduces erosion;

2 “(C) improves soil fertility and tilth;

3 “(D) interrupts pest cycles; and

4 “(E) in applicable areas, reduces depletion
5 of soil moisture or otherwise reduces the need
6 for irrigation.

7 “(f) PAYMENT LIMITATIONS.—A person or legal enti-
8 ty may not receive, directly or indirectly, payments under
9 the program that, in the aggregate, exceed \$200,000
10 under all contracts entered into during fiscal years 2014
11 through 2018, excluding funding arrangements with In-
12 dian tribes, regardless of the number of contracts entered
13 into under the program by the person or legal entity.

14 “(g) SPECIALTY CROP AND ORGANIC PRODUCERS.—
15 The Secretary shall ensure that outreach and technical as-
16 sistance are available, and program specifications are ap-
17 propriate to enable specialty crop and organic producers
18 to participate in the program.

19 “(h) COORDINATION WITH ORGANIC CERTIFI-
20 CATION.—The Secretary shall establish a transparent
21 means by which producers may initiate organic certifi-
22 cation under the Organic Foods Production Act of 1990
23 (7 U.S.C. 6501 et seq.) while participating in a contract
24 under the program.

1 “(i) REGULATIONS.—The Secretary shall promulgate
2 regulations that—

3 “(1) prescribe such other rules as the Secretary
4 determines to be necessary to ensure a fair and rea-
5 sonable application of the limitations established
6 under subsection (f); and

7 “(2) otherwise enable the Secretary to carry out
8 the program.”.

9 (b) EFFECT ON EXISTING CONTRACTS.—

10 (1) IN GENERAL.—The amendment made by
11 this section shall not affect the validity or terms of
12 any contract entered into by the Secretary of Agri-
13 culture under subchapter B of chapter 2 of subtitle
14 D of title XII of the Food Security Act of 1985 (16
15 U.S.C. 3838d et seq.) before the date of enactment
16 of the Agricultural Act of 2014, or any payments re-
17 quired to be made in connection with the contract.

18 (2) CONSERVATION STEWARDSHIP PROGRAM.—
19 Funds made available under section 1241(a)(4) of
20 the Food Security Act of 1985 (16 U.S.C.
21 3841(a)(4)) (as amended by section 2601(a) of this
22 title) may be used to administer and make payments
23 to program participants that enrolled into contracts
24 during any of fiscal years 2009 through 2013.

1 **Subtitle C—Environmental Quality**
2 **Incentives Program**

3 **SEC. 2201. PURPOSES.**

4 Section 1240 of the Food Security Act of 1985 (16
5 U.S.C. 3839aa) is amended—

6 (1) in paragraph (3)—

7 (A) in subparagraph (A), by striking
8 “and” at the end;

9 (B) by redesignating subparagraph (B) as
10 subparagraph (C) and, in such subparagraph,
11 by inserting “and” after the semicolon; and

12 (C) by inserting after subparagraph (A)
13 the following new subparagraph:

14 “(B) developing and improving wildlife
15 habitat; and”;

16 (2) in paragraph (4), by striking “; and” and
17 inserting a period; and

18 (3) by striking paragraph (5).

19 **SEC. 2202. DEFINITIONS.**

20 Section 1240A of the Food Security Act of 1985 (16
21 U.S.C. 3839aa–1) is amended—

22 (1) by striking paragraph (2) and redesignating
23 paragraphs (3) through (6) as paragraphs (2)
24 through (5), respectively; and

1 (2) in paragraph (2) (as so redesignated), by
2 inserting “established under the Organic Foods Pro-
3 duction Act of 1990 (7 U.S.C. 6501 et seq.)” after
4 “national organic program”.

5 **SEC. 2203. ESTABLISHMENT AND ADMINISTRATION.**

6 Section 1240B of the Food Security Act of 1985 (16
7 U.S.C. 3839aa–2) is amended—

8 (1) in subsection (a), by striking “2014” and
9 inserting “2018”;

10 (2) in subsection (b), by striking paragraph (2)
11 and inserting the following new paragraph:

12 “(2) TERM.—A contract under the program
13 shall have a term that does not exceed 10 years.”;

14 (3) in subsection (d)—

15 (A) in paragraph (3), by striking subpara-
16 graphs (A) through (G) and inserting the fol-
17 lowing:

18 “(A) soil health;

19 “(B) water quality and quantity improve-
20 ment;

21 “(C) nutrient management;

22 “(D) pest management;

23 “(E) air quality improvement;

24 “(F) wildlife habitat development, includ-
25 ing pollinator habitat; or

1 “(G) invasive species management.”; and

2 (B) in paragraph (4)—

3 (i) in subparagraph (A), in the matter
4 preceding clause (i), by inserting “, a vet-
5 eran farmer or rancher (as defined in sec-
6 tion 2501(e) of the Food, Agriculture,
7 Conservation, and Trade Act of 1990 (7
8 U.S.C. 2279(e))),” before “or a beginning
9 farmer or rancher”; and

10 (ii) by striking subparagraph (B) and
11 inserting the following new subparagraph:
12 “(B) ADVANCE PAYMENTS.—

13 “(i) IN GENERAL.—Not more than 50
14 percent of the amount determined under
15 subparagraph (A) may be provided in ad-
16 vance for the purpose of purchasing mate-
17 rials or contracting.

18 “(ii) RETURN OF FUNDS.—If funds
19 provided in advance are not expended dur-
20 ing the 90-day period beginning on the
21 date of receipt of the funds, the funds shall
22 be returned within a reasonable timeframe,
23 as determined by the Secretary.”;

24 (4) by striking subsection (f) and inserting the
25 following new subsection:

1 “(f) ALLOCATION OF FUNDING.—

2 “(1) LIVESTOCK.—For each of fiscal years
3 2014 through 2018, at least 60 percent of the funds
4 made available for payments under the program
5 shall be targeted at practices relating to livestock
6 production.

7 “(2) WILDLIFE HABITAT.—For each of fiscal
8 years 2014 through 2018, at least 5 percent of the
9 funds made available for payments under the pro-
10 gram shall be targeted at practices benefitting wild-
11 life habitat under subsection (g).”; and

12 (5) by striking subsection (g) and inserting the
13 following new subsection:

14 “(g) WILDLIFE HABITAT INCENTIVE PROGRAM.—

15 “(1) IN GENERAL.—The Secretary shall provide
16 payments under the environmental quality incentives
17 program for conservation practices that support the
18 restoration, development, protection, and improve-
19 ment of wildlife habitat on eligible land, including—

20 “(A) upland wildlife habitat;

21 “(B) wetland wildlife habitat;

22 “(C) habitat for threatened and endan-
23 gered species;

24 “(D) fish habitat;

1 “(E) habitat on pivot corners and other ir-
2 regular areas of a field; and

3 “(F) other types of wildlife habitat, as de-
4 termined by the Secretary.

5 “(2) STATE TECHNICAL COMMITTEE.—In deter-
6 mining the practices eligible for payment under
7 paragraph (1) and targeted for funding under sub-
8 section (f), the Secretary shall consult with the rel-
9 evant State technical committee not less often than
10 once each year.”.

11 **SEC. 2204. EVALUATION OF APPLICATIONS.**

12 Section 1240C(b) of the Food Security Act of 1985
13 (16 U.S.C. 3839aa–3(b)) is amended—

14 (1) in paragraph (1), by striking “environ-
15 mental” and inserting “conservation”; and

16 (2) in paragraph (3), by striking “purpose of
17 the environmental quality incentives program speci-
18 fied in section 1240(1)” and inserting “purposes of
19 the program”.

20 **SEC. 2205. DUTIES OF PRODUCERS.**

21 Section 1240D(2) of the Food Security Act of 1985
22 (16 U.S.C. 3839aa–4(2)) is amended by striking “farm,
23 ranch, or forest” and inserting “enrolled”.

1 **SEC. 2206. LIMITATION ON PAYMENTS.**

2 Section 1240G of the Food Security Act of 1985 (16
3 U.S.C. 3839aa–7) is amended to read as follows:

4 **“SEC. 1240G. LIMITATION ON PAYMENTS.**

5 “A person or legal entity may not receive, directly
6 or indirectly, cost-share or incentive payments under this
7 chapter that, in aggregate, exceed \$450,000 for all con-
8 tracts entered into under this chapter by the person or
9 legal entity during the period of fiscal years 2014 through
10 2018, regardless of the number of contracts entered into
11 under this chapter by the person or legal entity.”.

12 **SEC. 2207. CONSERVATION INNOVATION GRANTS AND PAY-**
13 **MENTS.**

14 Section 1240H of the Food Security Act of 1985 (16
15 U.S.C. 3839aa–8) is amended—

16 (1) in subsection (a)(2)—

17 (A) in subparagraph (C), by striking “;
18 and” and inserting a semicolon;

19 (B) in subparagraph (D), by striking the
20 period and inserting a semicolon; and

21 (C) by adding at the end the following new
22 subparagraphs:

23 “(E) facilitate on-farm conservation re-
24 search and demonstration activities; and

25 “(F) facilitate pilot testing of new tech-
26 nologies or innovative conservation practices.”;

1 (2) in subsection (b)(2)—

2 (A) by striking “\$37,500,000” and insert-
3 ing “\$25,000,000”; and

4 (B) by striking “2012” and inserting
5 “2018”; and

6 (3) by adding at the end the following new sub-
7 section:

8 “(c) REPORTING.—Not later than December 31,
9 2014, and every two years thereafter, the Secretary shall
10 submit to the Committee on Agriculture, Nutrition, and
11 Forestry of the Senate and the Committee on Agriculture
12 of the House of Representatives a report on the status
13 of projects funded under this section, including—

14 “(1) funding awarded;

15 “(2) project results; and

16 “(3) incorporation of project findings, such as
17 new technology and innovative approaches, into the
18 conservation efforts implemented by the Secretary.”.

19 **SEC. 2208. EFFECT ON EXISTING CONTRACTS.**

20 The amendments made by this subtitle shall not af-
21 fect the validity or terms of any contract entered into by
22 the Secretary of Agriculture under chapter 4 of subtitle
23 D of title XII of the Food Security Act of 1985 (16 U.S.C.
24 3839aa et seq.) before the date of enactment of the Agri-

1 cultural Act of 2014, or any payments required to be made
2 in connection with the contract.

3 **Subtitle D—Agricultural**
4 **Conservation Easement Program**

5 **SEC. 2301. AGRICULTURAL CONSERVATION EASEMENT**
6 **PROGRAM.**

7 (a) ESTABLISHMENT.—Title XII of the Food Secu-
8 rity Act of 1985 is amended by adding at the end the fol-
9 lowing new subtitle:

10 **“Subtitle H—Agricultural**
11 **Conservation Easement Program**

12 **“SEC. 1265. ESTABLISHMENT AND PURPOSES.**

13 “(a) ESTABLISHMENT.—The Secretary shall estab-
14 lish an agricultural conservation easement program for the
15 conservation of eligible land and natural resources through
16 easements or other interests in land.

17 “(b) PURPOSES.—The purposes of the program are
18 to—

19 “(1) combine the purposes and coordinate the
20 functions of the wetlands reserve program estab-
21 lished under section 1237, the grassland reserve pro-
22 gram established under section 1238N, and the
23 farmland protection program established under sec-
24 tion 1238I, as such sections were in effect on the

1 day before the date of enactment of the Agricultural
2 Act of 2014;

3 “(2) restore, protect, and enhance wetlands on
4 eligible land;

5 “(3) protect the agricultural use and future via-
6 bility, and related conservation values, of eligible
7 land by limiting nonagricultural uses of that land;
8 and

9 “(4) protect grazing uses and related conserva-
10 tion values by restoring and conserving eligible land.

11 **“SEC. 1265A. DEFINITIONS.**

12 “In this subtitle:

13 “(1) AGRICULTURAL LAND EASEMENT.—The
14 term ‘agricultural land easement’ means an ease-
15 ment or other interest in eligible land that—

16 “(A) is conveyed for the purpose of pro-
17 tecting natural resources and the agricultural
18 nature of the land; and

19 “(B) permits the landowner the right to
20 continue agricultural production and related
21 uses subject to an agricultural land easement
22 plan, as approved by the Secretary.

23 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
24 tity’ means—

1 “(A) an agency of State or local govern-
2 ment or an Indian tribe (including a farmland
3 protection board or land resource council estab-
4 lished under State law); or

5 “(B) an organization that is—

6 “(i) organized for, and at all times
7 since the formation of the organization has
8 been operated principally for, 1 or more of
9 the conservation purposes specified in
10 clause (i), (ii), (iii), or (iv) of section
11 170(h)(4)(A) of the Internal Revenue Code
12 of 1986;

13 “(ii) an organization described in sec-
14 tion 501(c)(3) of that Code that is exempt
15 from taxation under section 501(a) of that
16 Code; or

17 “(iii) described in—

18 “(I) paragraph (1) or (2) of sec-
19 tion 509(a) of that Code; or

20 “(II) section 509(a)(3) of that
21 Code and is controlled by an organiza-
22 tion described in section 509(a)(2) of
23 that Code.

24 “(3) ELIGIBLE LAND.—The term ‘eligible land’
25 means private or tribal land that is—

1 “(A) in the case of an agricultural land
2 easement, agricultural land, including land on a
3 farm or ranch—

4 “(i) that is subject to a pending offer
5 for purchase of an agricultural land ease-
6 ment from an eligible entity;

7 “(ii)(I) that has prime, unique, or
8 other productive soil;

9 “(II) that contains historical or ar-
10 chaeological resources;

11 “(III) the enrollment of which would
12 protect grazing uses and related conserva-
13 tion values by restoring and conserving
14 land; or

15 “(IV) the protection of which will fur-
16 ther a State or local policy consistent with
17 the purposes of the program; and

18 “(iii) that is—

19 “(I) cropland;

20 “(II) rangeland;

21 “(III) grassland or land that con-
22 tains forbs, or shrubland for which
23 grazing is the predominant use;

24 “(IV) located in an area that has
25 been historically dominated by grass-

1 land, forbs, or shrubs and could pro-
2 vide habitat for animal or plant popu-
3 lations of significant ecological value;

4 “(V) pastureland; or

5 “(VI) nonindustrial private forest
6 land that contributes to the economic
7 viability of an offered parcel or serves
8 as a buffer to protect such land from
9 development;

10 “(B) in the case of a wetland reserve ease-
11 ment, a wetland or related area, including—

12 “(i) farmed or converted wetlands, to-
13 gether with adjacent land that is function-
14 ally dependent on that land, if the Sec-
15 retary determines it—

16 “(I) is likely to be successfully
17 restored in a cost-effective manner;
18 and

19 “(II) will maximize the wildlife
20 benefits and wetland functions and
21 values, as determined by the Secretary
22 in consultation with the Secretary of
23 the Interior at the local level;

1 “(ii) cropland or grassland that was
2 used for agricultural production prior to
3 flooding from the natural overflow of—

4 “(I) a closed basin lake and adja-
5 cent land that is functionally depend-
6 ent upon it, if the State or other enti-
7 ty is willing to provide 50 percent
8 share of the cost of an easement; or

9 “(II) a pothole and adjacent land
10 that is functionally dependent on it;

11 “(iii) farmed wetlands and adjoining
12 lands that—

13 “(I) are enrolled in the conserva-
14 tion reserve program;

15 “(II) have the highest wetland
16 functions and values, as determined
17 by the Secretary; and

18 “(III) are likely to return to pro-
19 duction after they leave the conserva-
20 tion reserve program;

21 “(iv) riparian areas that link wetlands
22 that are protected by easements or some
23 other device that achieves the same pur-
24 pose as an easement; or

1 “(v) other wetlands of an owner that
2 would not otherwise be eligible, if the Sec-
3 retary determines that the inclusion of
4 such wetlands in a wetland reserve ease-
5 ment would significantly add to the func-
6 tional value of the easement; or

7 “(C) in the case of either an agricultural
8 land easement or a wetland reserve easement,
9 other land that is incidental to land described
10 in subparagraph (A) or (B), if the Secretary de-
11 termines that it is necessary for the efficient
12 administration of an easement under the pro-
13 gram.

14 “(4) PROGRAM.—The term ‘program’ means
15 the agricultural conservation easement program es-
16 tablished by this subtitle.

17 “(5) WETLAND RESERVE EASEMENT.—The
18 term ‘wetland reserve easement’ means a reserved
19 interest in eligible land that—

20 “(A) is defined and delineated in a deed;
21 and

22 “(B) stipulates—

23 “(i) the rights, title, and interests in
24 land conveyed to the Secretary; and

1 “(ii) the rights, title, and interests in
2 land that are reserved to the landowner.

3 **“SEC. 1265B. AGRICULTURAL LAND EASEMENTS.**

4 “(a) AVAILABILITY OF ASSISTANCE.—The Secretary
5 shall facilitate and provide funding for—

6 “(1) the purchase by eligible entities of agricul-
7 tural land easements in eligible land; and

8 “(2) technical assistance to provide for the con-
9 servation of natural resources pursuant to an agri-
10 cultural land easement plan.

11 “(b) COST-SHARE ASSISTANCE.—

12 “(1) IN GENERAL.—The Secretary shall protect
13 the agricultural use, including grazing, and related
14 conservation values of eligible land through cost-
15 share assistance to eligible entities for purchasing
16 agricultural land easements.

17 “(2) SCOPE OF ASSISTANCE AVAILABLE.—

18 “(A) FEDERAL SHARE.—An agreement de-
19 scribed in paragraph (4) shall provide for a
20 Federal share determined by the Secretary of
21 an amount not to exceed 50 percent of the fair
22 market value of the agricultural land easement,
23 as determined by the Secretary using—

24 “(i) the Uniform Standards of Profes-
25 sional Appraisal Practice;

1 “(ii) an areawide market analysis or
2 survey; or

3 “(iii) another industry-approved meth-
4 od.

5 “(B) NON-FEDERAL SHARE.—

6 “(i) IN GENERAL.—Under the agree-
7 ment, the eligible entity shall provide a
8 share that is at least equivalent to that
9 provided by the Secretary.

10 “(ii) SOURCE OF CONTRIBUTION.—An
11 eligible entity may include as part of its
12 share under clause (i) a charitable dona-
13 tion or qualified conservation contribution
14 (as defined by section 170(h) of the Inter-
15 nal Revenue Code of 1986) from the pri-
16 vate landowner if the eligible entity con-
17 tributes its own cash resources in an
18 amount that is at least 50 percent of the
19 amount contributed by the Secretary.

20 “(C) EXCEPTION.—

21 “(i) GRASSLANDS.—In the case of
22 grassland of special environmental signifi-
23 cance, as determined by the Secretary, the
24 Secretary may provide an amount not to

1 exceed 75 percent of the fair market value
2 of the agricultural land easement.

3 “(ii) CASH CONTRIBUTION.—For pur-
4 poses of subparagraph (B)(ii), the Sec-
5 retary may waive any portion of the eligi-
6 ble entity cash contribution requirement
7 for projects of special significance, subject
8 to an increase in the private landowner do-
9 nation that is equal to the amount of the
10 waiver, if the donation is voluntary and the
11 property is in active agricultural produc-
12 tion.

13 “(3) EVALUATION AND RANKING OF APPLICA-
14 TIONS.—

15 “(A) CRITERIA.—The Secretary shall es-
16 tablish evaluation and ranking criteria to maxi-
17 mize the benefit of Federal investment under
18 the program.

19 “(B) CONSIDERATIONS.—In establishing
20 the criteria, the Secretary shall emphasize sup-
21 port for—

22 “(i) protecting agricultural uses and
23 related conservation values of the land; and

24 “(ii) maximizing the protection of
25 areas devoted to agricultural use.

1 “(C) BIDDING DOWN.—If the Secretary
2 determines that 2 or more applications for cost-
3 share assistance are comparable in achieving
4 the purpose of the program, the Secretary shall
5 not assign a higher priority to any of those ap-
6 plications solely on the basis of lesser cost to
7 the program.

8 “(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

9 “(A) IN GENERAL.—The Secretary shall
10 enter into agreements with eligible entities to
11 stipulate the terms and conditions under which
12 the eligible entity is permitted to use cost-share
13 assistance provided under this section.

14 “(B) LENGTH OF AGREEMENTS.—An
15 agreement shall be for a term that is—

16 “(i) in the case of an eligible entity
17 certified under the process described in
18 paragraph (5), a minimum of five years;
19 and

20 “(ii) for all other eligible entities, at
21 least three, but not more than five years.

22 “(C) MINIMUM TERMS AND CONDITIONS.—

23 An eligible entity shall be authorized to use its
24 own terms and conditions for agricultural land

1 easements so long as the Secretary determines
2 such terms and conditions—

3 “(i) are consistent with the purposes
4 of the program;

5 “(ii) permit effective enforcement of
6 the conservation purposes of such ease-
7 ments;

8 “(iii) include a right of enforcement
9 for the Secretary, that may be used only if
10 the terms of the easement are not enforced
11 by the holder of the easement;

12 “(iv) subject the land in which an in-
13 terest is purchased to an agricultural land
14 easement plan that—

15 “(I) describes the activities which
16 promote the long-term viability of the
17 land to meet the purposes for which
18 the easement was acquired;

19 “(II) requires the management of
20 grasslands according to a grasslands
21 management plan; and

22 “(III) includes a conservation
23 plan, where appropriate, and requires,
24 at the option of the Secretary, the

1 conversion of highly erodible cropland
2 to less intensive uses; and

3 “(v) include a limit on the impervious
4 surfaces to be allowed that is consistent
5 with the agricultural activities to be con-
6 ducted.

7 “(D) SUBSTITUTION OF QUALIFIED
8 PROJECTS.—An agreement shall allow, upon
9 mutual agreement of the parties, substitution of
10 qualified projects that are identified at the time
11 of the proposed substitution.

12 “(E) EFFECT OF VIOLATION.—If a viola-
13 tion occurs of a term or condition of an agree-
14 ment under this subsection—

15 “(i) the Secretary may terminate the
16 agreement; and

17 “(ii) the Secretary may require the el-
18 igible entity to refund all or part of any
19 payments received by the entity under the
20 program, with interest on the payments as
21 determined appropriate by the Secretary.

22 “(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

23 “(A) CERTIFICATION PROCESS.—The Sec-
24 retary shall establish a process under which the
25 Secretary may—

1 “(i) directly certify eligible entities
2 that meet established criteria;

3 “(ii) enter into long-term agreements
4 with certified eligible entities; and

5 “(iii) accept proposals for cost-share
6 assistance for the purchase of agricultural
7 land easements throughout the duration of
8 such agreements.

9 “(B) CERTIFICATION CRITERIA.—In order
10 to be certified, an eligible entity shall dem-
11 onstrate to the Secretary that the entity will
12 maintain, at a minimum, for the duration of the
13 agreement—

14 “(i) a plan for administering ease-
15 ments that is consistent with the purpose
16 of the program;

17 “(ii) the capacity and resources to
18 monitor and enforce agricultural land ease-
19 ments; and

20 “(iii) policies and procedures to en-
21 sure—

22 “(I) the long-term integrity of
23 agricultural land easements on eligible
24 land;

1 “(II) timely completion of acqui-
2 sitions of such easements; and

3 “(III) timely and complete eval-
4 uation and reporting to the Secretary
5 on the use of funds provided under
6 the program.

7 “(C) REVIEW AND REVISION.—

8 “(i) REVIEW.—The Secretary shall
9 conduct a review of eligible entities cer-
10 tified under subparagraph (A) every three
11 years to ensure that such entities are
12 meeting the criteria established under sub-
13 paragraph (B).

14 “(ii) REVOCATION.—If the Secretary
15 finds that a certified eligible entity no
16 longer meets the criteria established under
17 subparagraph (B), the Secretary may—

18 “(I) allow the certified eligible
19 entity a specified period of time, at a
20 minimum 180 days, in which to take
21 such actions as may be necessary to
22 meet the criteria; and

23 “(II) revoke the certification of
24 the eligible entity, if, after the speci-

1 fied period of time, the certified eligi-
2 ble entity does not meet such criteria.

3 “(c) METHOD OF ENROLLMENT.—The Secretary
4 shall enroll eligible land under this section through the use
5 of—

6 “(1) permanent easements; or

7 “(2) easements for the maximum duration al-
8 lowed under applicable State laws.

9 “(d) TECHNICAL ASSISTANCE.—The Secretary may
10 provide technical assistance, if requested, to assist in—

11 “(1) compliance with the terms and conditions
12 of easements; and

13 “(2) implementation of an agricultural land
14 easement plan.

15 **“SEC. 1265C. WETLAND RESERVE EASEMENTS.**

16 “(a) AVAILABILITY OF ASSISTANCE.—The Secretary
17 shall provide assistance to owners of eligible land to re-
18 store, protect, and enhance wetlands through—

19 “(1) wetland reserve easements and related wet-
20 land reserve easement plans; and

21 “(2) technical assistance.

22 “(b) EASEMENTS.—

23 “(1) METHOD OF ENROLLMENT.—The Sec-
24 retary shall enroll eligible land under this section
25 through the use of—

1 “(A) 30-year easements;

2 “(B) permanent easements;

3 “(C) easements for the maximum duration
4 allowed under applicable State laws; or

5 “(D) as an option for Indian tribes only,
6 30-year contracts.

7 “(2) LIMITATIONS.—

8 “(A) INELIGIBLE LAND.—The Secretary
9 may not acquire easements on—

10 “(i) land established to trees under
11 the conservation reserve program, except in
12 cases where the Secretary determines it
13 would further the purposes of this section;
14 and

15 “(ii) farmed wetlands or converted
16 wetlands where the conversion was not
17 commenced prior to December 23, 1985.

18 “(B) CHANGES IN OWNERSHIP.—No wet-
19 land reserve easement shall be created on land
20 that has changed ownership during the pre-
21 ceding 24-month period unless—

22 “(i) the new ownership was acquired
23 by will or succession as a result of the
24 death of the previous owner;

1 “(ii)(I) the ownership change occurred
2 because of foreclosure on the land; and

3 “(II) immediately before the fore-
4 closure, the owner of the land exercises a
5 right of redemption from the mortgage
6 holder in accordance with State law; or

7 “(iii) the Secretary determines that
8 the land was acquired under circumstances
9 that give adequate assurances that such
10 land was not acquired for the purposes of
11 placing it in the program.

12 “(3) EVALUATION AND RANKING OF OFFERS.—

13 “(A) CRITERIA.—The Secretary shall es-
14 tablish evaluation and ranking criteria for of-
15 fers from landowners under this section to
16 maximize the benefit of Federal investment
17 under the program.

18 “(B) CONSIDERATIONS.—When evaluating
19 offers from landowners, the Secretary may con-
20 sider—

21 “(i) the conservation benefits of ob-
22 taining a wetland reserve easement, includ-
23 ing the potential environmental benefits if
24 the land was removed from agricultural
25 production;

1 “(ii) the cost effectiveness of each
2 wetland reserve easement, so as to maxi-
3 mize the environmental benefits per dollar
4 expended;

5 “(iii) whether the landowner or an-
6 other person is offering to contribute fi-
7 nancially to the cost of the wetland reserve
8 easement to leverage Federal funds; and

9 “(iv) such other factors as the Sec-
10 retary determines are necessary to carry
11 out the purposes of the program.

12 “(C) PRIORITY.—The Secretary shall give
13 priority to acquiring wetland reserve easements
14 based on the value of the wetland reserve ease-
15 ment for protecting and enhancing habitat for
16 migratory birds and other wildlife.

17 “(4) AGREEMENT.—To be eligible to place eligi-
18 ble land into the program through a wetland reserve
19 easement, the owner of such land shall enter into an
20 agreement with the Secretary to—

21 “(A) grant an easement on such land to
22 the Secretary;

23 “(B) authorize the implementation of a
24 wetland reserve easement plan developed for the
25 eligible land under subsection (f);

1 “(C) create and record an appropriate
2 deed restriction in accordance with applicable
3 State law to reflect the easement agreed to;

4 “(D) provide a written statement of con-
5 sent to such easement signed by those holding
6 a security interest in the land;

7 “(E) comply with the terms and conditions
8 of the easement and any related agreements;
9 and

10 “(F) permanently retire any existing base
11 history for the land on which the easement has
12 been obtained.

13 “(5) TERMS AND CONDITIONS OF EASEMENT.—

14 “(A) IN GENERAL.—A wetland reserve
15 easement shall include terms and conditions
16 that—

17 “(i) permit—

18 “(I) repairs, improvements, and
19 inspections on the land that are nec-
20 essary to maintain existing public
21 drainage systems; and

22 “(II) owners to control public ac-
23 cess on the easement areas while iden-
24 tifying access routes to be used for

1 restoration activities and management
2 and easement monitoring;

3 “(ii) prohibit—

4 “(I) the alteration of wildlife
5 habitat and other natural features of
6 such land, unless specifically author-
7 ized by the Secretary;

8 “(II) the spraying of such land
9 with chemicals or the mowing of such
10 land, except where such spraying or
11 mowing is authorized by the Secretary
12 or is necessary—

13 “(aa) to comply with Fed-
14 eral or State noxious weed con-
15 trol laws;

16 “(bb) to comply with a Fed-
17 eral or State emergency pest
18 treatment program; or

19 “(cc) to meet habitat needs
20 of specific wildlife species;

21 “(III) any activities to be carried
22 out on the owner’s or successor’s land
23 that is immediately adjacent to, and
24 functionally related to, the land that
25 is subject to the easement if such ac-

1 tivities will alter, degrade, or other-
2 wise diminish the functional value of
3 the eligible land; and

4 “(IV) the adoption of any other
5 practice that would tend to defeat the
6 purposes of the program, as deter-
7 mined by the Secretary;

8 “(iii) provide for the efficient and ef-
9 fective establishment of wetland functions
10 and values; and

11 “(iv) include such additional provi-
12 sions as the Secretary determines are de-
13 sirable to carry out the program or facili-
14 tate the practical administration thereof.

15 “(B) VIOLATION.—On the violation of a
16 term or condition of a wetland reserve ease-
17 ment, the wetland reserve easement shall re-
18 main in force and the Secretary may require
19 the owner to refund all or part of any payments
20 received by the owner under the program, with
21 interest on the payments as determined appro-
22 priate by the Secretary.

23 “(C) COMPATIBLE USES.—Land subject to
24 a wetland reserve easement may be used for
25 compatible economic uses, including such activi-

1 ties as hunting and fishing, managed timber
2 harvest, or periodic haying or grazing, if such
3 use is specifically permitted by the wetland re-
4 serve easement plan developed for the land
5 under subsection (f) and is consistent with the
6 long-term protection and enhancement of the
7 wetland resources for which the easement was
8 established.

9 “(D) RESERVATION OF GRAZING
10 RIGHTS.—The Secretary may include in the
11 terms and conditions of a wetland reserve ease-
12 ment a provision under which the owner re-
13 serves grazing rights if—

14 “(i) the Secretary determines that the
15 reservation and use of the grazing rights—

16 “(I) is compatible with the land
17 subject to the easement;

18 “(II) is consistent with the his-
19 torical natural uses of the land and
20 the long-term protection and enhance-
21 ment goals for which the easement
22 was established; and

23 “(III) complies with the wetland
24 reserve easement plan developed for
25 the land under subsection (f); and

1 “(ii) the agreement provides for a
2 commensurate reduction in the easement
3 payment to account for the grazing value,
4 as determined by the Secretary.

5 “(6) COMPENSATION.—

6 “(A) DETERMINATION.—

7 “(i) PERMANENT EASEMENTS.—The
8 Secretary shall pay as compensation for a
9 permanent wetland reserve easement ac-
10 quired under the program an amount nec-
11 essary to encourage enrollment in the pro-
12 gram, based on the lowest of—

13 “(I) the fair market value of the
14 land, as determined by the Secretary,
15 using the Uniform Standards of Pro-
16 fessional Appraisal Practice or an
17 areawide market analysis or survey;

18 “(II) the amount corresponding
19 to a geographical cap, as determined
20 by the Secretary in regulations; or

21 “(III) the offer made by the
22 landowner.

23 “(ii) OTHER.—Compensation for a
24 30-year contract or 30-year wetland re-
25 serve easement shall be not less than 50

1 percent, but not more than 75 percent, of
2 the compensation that would be paid for a
3 permanent wetland reserve easement.

4 “(B) FORM OF PAYMENT.—Compensation
5 for a wetland reserve easement shall be pro-
6 vided by the Secretary in the form of a cash
7 payment, in an amount determined under sub-
8 paragraph (A).

9 “(C) PAYMENT SCHEDULE.—

10 “(i) EASEMENTS VALUED AT \$500,000
11 OR LESS.—For wetland reserve easements
12 valued at \$500,000 or less, the Secretary
13 may provide payments in not more than 10
14 annual payments.

15 “(ii) EASEMENTS VALUED AT MORE
16 THAN \$500,000.—For wetland reserve ease-
17 ments valued at more than \$500,000, the
18 Secretary may provide payments in at least
19 5, but not more than 10 annual payments,
20 except that, if the Secretary determines it
21 would further the purposes of the program,
22 the Secretary may make a lump-sum pay-
23 ment for such an easement.

24 “(c) EASEMENT RESTORATION.—

1 “(1) IN GENERAL.—The Secretary shall provide
2 financial assistance to owners of eligible land to
3 carry out the establishment of conservation meas-
4 ures and practices and protect wetland functions
5 and values, including necessary maintenance activi-
6 ties, as set forth in a wetland reserve easement plan
7 developed for the eligible land under subsection (f).

8 “(2) PAYMENTS.—The Secretary shall—

9 “(A) in the case of a permanent wetland
10 reserve easement, pay an amount that is not
11 less than 75 percent, but not more than 100
12 percent, of the eligible costs, as determined by
13 the Secretary; and

14 “(B) in the case of a 30-year contract or
15 30-year wetland reserve easement, pay an
16 amount that is not less than 50 percent, but
17 not more than 75 percent, of the eligible costs,
18 as determined by the Secretary.

19 “(d) TECHNICAL ASSISTANCE.—

20 “(1) IN GENERAL.—The Secretary shall assist
21 owners in complying with the terms and conditions
22 of a wetland reserve easement.

23 “(2) CONTRACTS OR AGREEMENTS.—The Sec-
24 retary may enter into 1 or more contracts with pri-
25 vate entities or agreements with a State, nongovern-

1 mental organization, or Indian tribe to carry out
2 necessary restoration, enhancement, or maintenance
3 of a wetland reserve easement if the Secretary deter-
4 mines that the contract or agreement will advance
5 the purposes of the program.

6 “(e) WETLAND RESERVE ENHANCEMENT OPTION.—

7 The Secretary may enter into 1 or more agreements with
8 a State (including a political subdivision or agency of a
9 State), nongovernmental organization, or Indian tribe to
10 carry out a special wetland reserve enhancement option
11 that the Secretary determines would advance the purposes
12 of program.

13 “(f) ADMINISTRATION.—

14 “(1) WETLAND RESERVE EASEMENT PLAN.—

15 The Secretary shall develop a wetland reserve ease-
16 ment plan for any eligible land subject to a wetland
17 reserve easement, which shall include practices and
18 activities necessary to restore, protect, enhance, and
19 maintain the enrolled land.

20 “(2) DELEGATION OF EASEMENT ADMINISTRA-
21 TION.—

22 “(A) IN GENERAL.—The Secretary may
23 delegate any of the management, monitoring,
24 and enforcement responsibilities of the Sec-
25 retary under this section to other Federal or

1 State agencies that have the appropriate au-
2 thority, expertise, and resources necessary to
3 carry out such delegated responsibilities, or to
4 conservation organizations if the Secretary de-
5 termines the organization has similar expertise
6 and resources.

7 “(B) LIMITATION.—The Secretary shall
8 not delegate any of the monitoring or enforce-
9 ment responsibilities under this section to con-
10 servation organizations.

11 “(3) PAYMENTS.—

12 “(A) TIMING OF PAYMENTS.—The Sec-
13 retary shall provide payment for obligations in-
14 curred by the Secretary under this section—

15 “(i) with respect to any easement res-
16 toration obligation under subsection (c), as
17 soon as possible after the obligation is in-
18 curred; and

19 “(ii) with respect to any annual ease-
20 ment payment obligation incurred by the
21 Secretary, as soon as possible after Octo-
22 ber 1 of each calendar year.

23 “(B) PAYMENTS TO OTHERS.—If an owner
24 who is entitled to a payment under this section
25 dies, becomes incompetent, is otherwise unable

1 to receive such payment, or is succeeded by an-
2 other person or entity who renders or completes
3 the required performance, the Secretary shall
4 make such payment, in accordance with regula-
5 tions prescribed by the Secretary and without
6 regard to any other provision of law, in such
7 manner as the Secretary determines is fair and
8 reasonable in light of all of the circumstances.

9 “(g) APPLICATION.—The relevant provisions of this
10 section shall also apply to a 30-year contract.

11 **“SEC. 1265D. ADMINISTRATION.**

12 “(a) INELIGIBLE LAND.—The Secretary may not use
13 program funds for the purposes of acquiring an easement
14 on—

15 “(1) lands owned by an agency of the United
16 States, other than land held in trust for Indian
17 tribes;

18 “(2) lands owned in fee title by a State, includ-
19 ing an agency or a subdivision of a State, or a unit
20 of local government;

21 “(3) land subject to an easement or deed re-
22 striction which, as determined by the Secretary, pro-
23 vides similar protection as would be provided by en-
24 rollment in the program; or

1 “(4) lands where the purposes of the program
2 would be undermined due to on-site or off-site condi-
3 tions, such as risk of hazardous substances, pro-
4 posed or existing rights of way, infrastructure devel-
5 opment, or adjacent land uses.

6 “(b) PRIORITY.—In evaluating applications under the
7 program, the Secretary may give priority to land that is
8 currently enrolled in the conservation reserve program in
9 a contract that is set to expire within 1 year and—

10 “(1) in the case of an agricultural land ease-
11 ment, is grassland that would benefit from protec-
12 tion under a long-term easement; and

13 “(2) in the case of a wetland reserve easement,
14 is a wetland or related area with the highest wetland
15 functions and value and is likely to return to produc-
16 tion after the land leaves the conservation reserve
17 program.

18 “(c) SUBORDINATION, EXCHANGE, MODIFICATION,
19 AND TERMINATION.—

20 “(1) IN GENERAL.—The Secretary may subor-
21 dinate, exchange, modify, or terminate any interest
22 in land, or portion of such interest, administered by
23 the Secretary, either directly or on behalf of the
24 Commodity Credit Corporation under the program if
25 the Secretary determines that—

1 “(A) it is in the Federal Government’s in-
2 terest to subordinate, exchange, modify, or ter-
3 minate the interest in land;

4 “(B) the subordination, exchange, modi-
5 fication, or termination action—

6 “(i) will address a compelling public
7 need for which there is no practicable al-
8 ternative; or

9 “(ii) such action will further the prac-
10 tical administration of the program; and

11 “(C) the subordination, exchange, modi-
12 fication, or termination action will result in
13 comparable conservation value and equivalent
14 or greater economic value to the United States.

15 “(2) CONSULTATION.—The Secretary shall
16 work with the owner, and eligible entity if applicable,
17 to address any subordination, exchange, modifica-
18 tion, or termination of the interest, or portion of
19 such interest, in land.

20 “(3) NOTICE.—At least 90 days before taking
21 any termination action described in paragraph (1),
22 the Secretary shall provide written notice of such ac-
23 tion to the Committee on Agriculture of the House
24 of Representatives and the Committee on Agri-
25 culture, Nutrition, and Forestry of the Senate.

1 “(d) LAND ENROLLED IN OTHER PROGRAMS.—

2 “(1) CONSERVATION RESERVE PROGRAM.—The
3 Secretary may terminate or modify a contract en-
4 tered into under section 1231(a) if eligible land that
5 is subject to such contract is transferred into the
6 program.

7 “(2) OTHER.—In accordance with the provi-
8 sions of subtitle H of title II of the Agricultural Act
9 of 2014, land enrolled in the wetlands reserve pro-
10 gram, grassland reserve program, or farmland pro-
11 tection program on the day before the date of enact-
12 ment of the Agricultural Act of 2014 shall be con-
13 sidered enrolled in the program.

14 “(e) COMPLIANCE WITH CERTAIN REQUIRE-
15 MENTS.—The Secretary may not provide assistance under
16 this subtitle to an eligible entity or owner of eligible land
17 unless the eligible entity or owner agrees, during the crop
18 year for which the assistance is provided—

19 “(1) to comply with applicable conservation re-
20 quirements under subtitle B; and

21 “(2) to comply with applicable wetland protec-
22 tion requirements under subtitle C.”.

23 (b) CROSS REFERENCE; CALCULATION.—Section
24 1244 of the Food Security Act of 1985 (16 U.S.C. 3844)
25 is amended—

1 (1) in subsection (c)—

2 (A) in paragraph (1)—

3 (i) by inserting “and” at the end of
4 subparagraph (A);

5 (ii) by striking “and” at the end of
6 subparagraph (B); and

7 (iii) by striking subparagraph (C);

8 (B) by redesignating paragraph (2) as
9 paragraph (3); and

10 (C) by inserting after paragraph (1) the
11 following new paragraph:

12 “(2) the agricultural conservation easement
13 program established under subtitle H; and”; and

14 (2) in subsection (f)—

15 (A) in paragraph (1)—

16 (i) in subparagraph (A), by striking
17 “programs administered under subchapters
18 B and C of chapter 1 of subtitle D” and
19 inserting “conservation reserve program
20 established under subchapter B of chapter
21 1 of subtitle D and wetland reserve ease-
22 ments under section 1265C”; and

23 (ii) in subparagraph (B), by striking
24 “an easement acquired under subchapter C
25 of chapter 1 of subtitle D” and inserting

1 “a wetland reserve easement under section
2 1265C”;

3 (B) by striking paragraph (4) and insert-
4 ing the following:

5 “(4) EXCLUSIONS.—

6 “(A) SHELTERBELTS AND WINDBREAKS.—

7 The limitations established under paragraph (1)
8 shall not apply to cropland that is subject to an
9 easement under subchapter B of chapter 1 of
10 subtitle D that is used for the establishment of
11 shelterbelts and windbreaks.

12 “(B) WET AND SATURATED SOILS.—For
13 the purposes of enrolling land in a wetland re-
14 serve easement under section 1265C, the limita-
15 tions established under paragraph (1) shall not
16 apply to cropland designated by the Secretary
17 with subclass w in the land capability classes IV
18 through VIII because of severe use limitations
19 due to soil saturation or inundation.”; and

20 (C) by adding at the end the following new
21 paragraph:

22 “(5) CALCULATION.—In calculating the per-
23 centages described in paragraph (1), the Secretary
24 shall include any acreage that was included in cal-
25 culations of percentages made under such para-

1 graph, as in effect on the day before the date of en-
2 actment of the Agricultural Act of 2014, and that
3 remains enrolled when the calculation is made after
4 that date under paragraph (1).”.

5 **Subtitle E—Regional Conservation**
6 **Partnership Program**

7 **SEC. 2401. REGIONAL CONSERVATION PARTNERSHIP PRO-**
8 **GRAM.**

9 Title XII of the Food Security Act of 1985 is amend-
10 ed by inserting after subtitle H, as added by section 2301,
11 the following new subtitle:

12 **“Subtitle I—Regional Conservation**
13 **Partnership Program**

14 **“SEC. 1271. ESTABLISHMENT AND PURPOSES.**

15 “(a) ESTABLISHMENT.—The Secretary shall estab-
16 lish a regional conservation partnership program to imple-
17 ment eligible activities on eligible land through—

18 “(1) partnership agreements with eligible part-
19 ners; and

20 “(2) contracts with producers.

21 “(b) PURPOSES.—The purposes of the program are
22 as follows:

23 “(1) To use covered programs to accomplish
24 purposes and functions similar to those of the fol-

1 lowing programs, as in effect on the day before the
2 date of enactment of the Agricultural Act of 2014:

3 “(A) The agricultural water enhancement
4 program established under section 1240I.

5 “(B) The Chesapeake Bay watershed pro-
6 gram established under section 1240Q.

7 “(C) The cooperative conservation partner-
8 ship initiative established under section 1243.

9 “(D) The Great Lakes basin program for
10 soil erosion and sediment control established
11 under section 1240P.

12 “(2) To further the conservation, restoration,
13 and sustainable use of soil, water, wildlife, and re-
14 lated natural resources on eligible land on a regional
15 or watershed scale.

16 “(3) To encourage eligible partners to cooperate
17 with producers in—

18 “(A) meeting or avoiding the need for na-
19 tional, State, and local natural resource regu-
20 latory requirements related to production on eli-
21 gible land; and

22 “(B) implementing projects that will result
23 in the installation and maintenance of eligible
24 activities that affect multiple agricultural or

1 nonindustrial private forest operations on a
2 local, regional, State, or multistate basis.

3 **“SEC. 1271A. DEFINITIONS.**

4 “In this subtitle:

5 “(1) COVERED PROGRAM.—The term ‘covered
6 program’ means the following:

7 “(A) The agricultural conservation ease-
8 ment program.

9 “(B) The environmental quality incentives
10 program.

11 “(C) The conservation stewardship pro-
12 gram.

13 “(D) The healthy forests reserve program
14 established under section 501 of the Healthy
15 Forests Restoration Act of 2003 (16 U.S.C.
16 6571).

17 “(2) ELIGIBLE ACTIVITY.—The term ‘eligible
18 activity’ means a conservation activity for any of the
19 following:

20 “(A) Water quality restoration or enhance-
21 ment projects, including nutrient management
22 and sediment reduction.

23 “(B) Water quantity conservation, restora-
24 tion, or enhancement projects relating to sur-

1 face water and groundwater resources, includ-
2 ing—

3 “(i) the conversion of irrigated crop-
4 land to the production of less water-inten-
5 sive agricultural commodities or dryland
6 farming; or

7 “(ii) irrigation system improvement
8 and irrigation efficiency enhancement.

9 “(C) Drought mitigation.

10 “(D) Flood prevention.

11 “(E) Water retention.

12 “(F) Air quality improvement.

13 “(G) Habitat conservation, restoration,
14 and enhancement.

15 “(H) Erosion control and sediment reduc-
16 tion.

17 “(I) Forest restoration.

18 “(J) Other related activities that the Sec-
19 retary determines will help achieve conservation
20 benefits.

21 “(3) ELIGIBLE LAND.—

22 “(A) IN GENERAL.—The term ‘eligible
23 land’ means—

1 “(i) land on which agricultural com-
2 modities, livestock, or forest-related prod-
3 ucts are produced; and

4 “(ii) lands associated with the lands
5 described in clause (i).

6 “(B) INCLUSIONS.—The term ‘eligible
7 land’ includes—

8 “(i) cropland;

9 “(ii) grassland;

10 “(iii) rangeland;

11 “(iv) pastureland;

12 “(v) nonindustrial private forest land;

13 and

14 “(vi) other land incidental to agricul-
15 tural production (including wetlands and
16 riparian buffers) on which significant nat-
17 ural resource issues could be addressed
18 under the program.

19 “(4) ELIGIBLE PARTNER.—The term ‘eligible
20 partner’ means any of the following:

21 “(A) An agricultural or silvicultural pro-
22 ducer association or other group of producers.

23 “(B) A State or unit of local government.

24 “(C) An Indian tribe.

25 “(D) A farmer cooperative.

1 “(E) A water district, irrigation district,
2 rural water district or association, or other or-
3 ganization with specific water delivery authority
4 to producers on agricultural land.

5 “(F) A municipal water or wastewater
6 treatment entity.

7 “(G) An institution of higher education.

8 “(H) An organization or entity with an es-
9 tablished history of working cooperatively with
10 producers on agricultural land, as determined
11 by the Secretary, to address—

12 “(i) local conservation priorities re-
13 lated to agricultural production, wildlife
14 habitat development, or nonindustrial pri-
15 vate forest land management; or

16 “(ii) critical watershed-scale soil ero-
17 sion, water quality, sediment reduction, or
18 other natural resource issues.

19 “(5) PARTNERSHIP AGREEMENT.—The term
20 ‘partnership agreement’ means an agreement en-
21 tered into under section 1271B between the Sec-
22 retary and an eligible partner.

23 “(6) PROGRAM.—The term ‘program’ means
24 the regional conservation partnership program estab-
25 lished by this subtitle.

1 **“SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.**

2 “(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—

3 The Secretary may enter into a partnership agreement
4 with an eligible partner to implement a project that will
5 assist producers with installing and maintaining an eligi-
6 ble activity on eligible land.

7 “(b) LENGTH.—A partnership agreement shall be for
8 a period not to exceed 5 years, except that the Secretary
9 may extend the agreement one time for up to 12 months
10 when an extension is necessary to meet the objectives of
11 the program.

12 “(c) DUTIES OF PARTNERS.—

13 “(1) IN GENERAL.—Under a partnership agree-
14 ment, the eligible partner shall—

15 “(A) define the scope of a project, includ-
16 ing—

17 “(i) the eligible activities to be imple-
18 mented;

19 “(ii) the potential agricultural or non-
20 industrial private forest land operations af-
21 fected;

22 “(iii) the local, State, multistate, or
23 other geographic area covered; and

24 “(iv) the planning, outreach, imple-
25 mentation, and assessment to be con-
26 ducted;

1 “(B) conduct outreach and education to
2 producers for potential participation in the
3 project;

4 “(C) at the request of a producer, act on
5 behalf of a producer participating in the project
6 in applying for assistance under section 1271C;

7 “(D) leverage financial or technical assist-
8 ance provided by the Secretary with additional
9 funds to help achieve the project objectives;

10 “(E) conduct an assessment of the
11 project’s effects; and

12 “(F) at the conclusion of the project, re-
13 port to the Secretary on its results and funds
14 leveraged.

15 “(2) CONTRIBUTION.—An eligible partner shall
16 provide a significant portion of the overall costs of
17 the scope of the project that is the subject of the
18 agreement entered into under subsection (a), as de-
19 termined by the Secretary.

20 “(d) APPLICATIONS.—

21 “(1) COMPETITIVE PROCESS.—The Secretary
22 shall conduct a competitive process to select applica-
23 tions for partnership agreements and may assess
24 and rank applications with similar conservation pur-
25 poses as a group.

1 “(2) CRITERIA USED.—In carrying out the
2 process described in paragraph (1), the Secretary
3 shall make public the criteria used in evaluating ap-
4 plications.

5 “(3) CONTENT.—An application to the Sec-
6 retary shall include a description of—

7 “(A) the scope of the project, as described
8 in subsection (c)(1)(A);

9 “(B) the plan for monitoring, evaluating,
10 and reporting on progress made toward achiev-
11 ing the project’s objectives;

12 “(C) the program resources requested for
13 the project, including the covered programs to
14 be used and estimated funding needed from the
15 Secretary;

16 “(D) each eligible partner collaborating to
17 achieve project objectives, including their roles,
18 responsibilities, capabilities, and financial con-
19 tribution; and

20 “(E) any other elements the Secretary con-
21 siders necessary to adequately evaluate and
22 competitively select applications for funding
23 under the program.

1 “(4) PRIORITY TO CERTAIN APPLICATIONS.—

2 The Secretary may give a higher priority to applica-
3 tions that—

4 “(A) assist producers in meeting or avoid-
5 ing the need for a natural resource regulatory
6 requirement;

7 “(B) have a high percentage of producers
8 in the area to be covered by the agreement;

9 “(C) significantly leverage non-Federal fi-
10 nancial and technical resources and coordinate
11 with other local, State, or national efforts;

12 “(D) deliver high percentages of applied
13 conservation to address conservation priorities
14 or regional, State, or national conservation ini-
15 tiatives;

16 “(E) provide innovation in conservation
17 methods and delivery, including outcome-based
18 performance measures and methods; or

19 “(F) meet other factors that are important
20 for achieving the purposes of the program, as
21 determined by the Secretary.

22 **“SEC. 1271C. ASSISTANCE TO PRODUCERS.**

23 “(a) IN GENERAL.—The Secretary shall enter into
24 contracts with producers to provide financial and technical
25 assistance to—

1 “(1) producers participating in a project with
2 an eligible partner; or

3 “(2) producers that fit within the scope of a
4 project described in section 1271B or a critical con-
5 servation area designated under section 1271F, but
6 who are seeking to implement an eligible activity on
7 eligible land independent of an eligible partner.

8 “(b) TERMS AND CONDITIONS.—

9 “(1) CONSISTENCY WITH PROGRAM RULES.—

10 “(A) IN GENERAL.—Except as provided in
11 subparagraph (B) and paragraph (2), the Sec-
12 retary shall ensure that the terms and condi-
13 tions of a contract under this section are con-
14 sistent with the applicable rules of the covered
15 programs to be used as part of the partnership
16 agreement, as described in the application
17 under section 1271B(d)(3)(C).

18 “(B) ADJUSTMENTS.—

19 “(i) IN GENERAL.—The Secretary
20 may adjust the rules of a covered program,
21 including—

22 “(I) operational guidance and re-
23 quirements for a covered program at
24 the discretion of the Secretary so as

1 to provide a simplified application and
2 evaluation process; and

3 “(II) nonstatutory, regulatory
4 rules or provisions to better reflect
5 unique local circumstances and pur-
6 poses if the Secretary determines such
7 adjustments are necessary to achieve
8 the purposes of the covered program.

9 “(ii) LIMITATION.—The Secretary
10 shall not adjust the application of statu-
11 tory requirements for a covered program,
12 including requirements governing appeals,
13 payment limits, and conservation compli-
14 ance.

15 “(iii) IRRIGATION.—In States where
16 irrigation has not been used significantly
17 for agricultural purposes, as determined by
18 the Secretary, the Secretary shall not limit
19 eligibility under section 1271B or this sec-
20 tion on the basis of prior irrigation history.

21 “(2) ALTERNATIVE FUNDING ARRANGE-
22 MENTS.—

23 “(A) IN GENERAL.—For the purposes of
24 providing assistance for land described in sub-
25 section (a) and section 1271F, the Secretary

1 may enter into alternative funding arrange-
2 ments with a multistate water resource agency
3 or authority if—

4 “(i) the Secretary determines that the
5 goals and objectives of the program will be
6 met by the alternative funding arrange-
7 ments;

8 “(ii) the agency or authority certifies
9 that the limitations established under this
10 section on agreements with individual pro-
11 ducers will not be exceeded; and

12 “(iii) all participating producers meet
13 applicable payment eligibility provisions.

14 “(B) CONDITIONS.—As a condition of re-
15 ceiving funding under subparagraph (A), the
16 multistate water resource agency or authority
17 shall agree—

18 “(i) to submit an annual independent
19 audit to the Secretary that describes the
20 use of funds under this paragraph;

21 “(ii) to provide any data necessary for
22 the Secretary to issue a report on the use
23 of funds under this paragraph; and

24 “(iii) not to use any of the funds pro-
25 vided pursuant to subparagraph (A) for

1 administration or to provide for adminis-
2 trative costs through contracts with an-
3 other entity.

4 “(C) LIMITATION.—The Secretary may
5 enter into not more than 20 alternative funding
6 arrangements under this paragraph.

7 “(c) PAYMENTS.—

8 “(1) IN GENERAL.—In accordance with statu-
9 tory requirements of the covered programs involved,
10 the Secretary may make payments to a producer in
11 an amount determined by the Secretary to be nec-
12 essary to achieve the purposes of the program.

13 “(2) PAYMENTS TO CERTAIN PRODUCERS.—The
14 Secretary may provide payments for a period of 5
15 years—

16 “(A) to producers participating in a
17 project that addresses water quantity concerns
18 and in an amount sufficient to encourage con-
19 version from irrigated to dryland farming; and

20 “(B) to producers participating in a
21 project that addresses water quality concerns
22 and in an amount sufficient to encourage adop-
23 tion of conservation practices and systems that
24 improve nutrient management.

1 “(3) WAIVER AUTHORITY.—To assist in the im-
2 plementation of the program, the Secretary may
3 waive the applicability of the limitation in section
4 1001D(b)(2) of this Act for participating producers
5 if the Secretary determines that the waiver is nec-
6 essary to fulfill the objectives of the program.

7 **“SEC. 1271D. FUNDING.**

8 “(a) AVAILABILITY OF FUNDS.—The Secretary shall
9 use \$100,000,000 of the funds of the Commodity Credit
10 Corporation for each of fiscal years 2014 through 2018
11 to carry out the program.

12 “(b) DURATION OF AVAILABILITY.—Funds made
13 available under subsection (a) shall remain available until
14 expended.

15 “(c) ADDITIONAL FUNDING AND ACRES.—

16 “(1) IN GENERAL.—In addition to the funds
17 made available under subsection (a), the Secretary
18 shall reserve 7 percent of the funds and acres made
19 available for a covered program for each of fiscal
20 years 2014 through 2018 in order to ensure addi-
21 tional resources are available to carry out this pro-
22 gram.

23 “(2) UNUSED FUNDS AND ACRES.—Any funds
24 or acres reserved under paragraph (1) for a fiscal
25 year from a covered program that are not committed

1 under this program by April 1 of that fiscal year
2 shall be returned for use under the covered program.

3 “(d) ALLOCATION OF FUNDING.—Of the funds and
4 acres made available for the program under subsection (a)
5 and reserved for the program under subsection (c), the
6 Secretary shall allocate—

7 “(1) 25 percent of the funds and acres to
8 projects based on a State competitive process admin-
9 istered by the State Conservationist, with the advice
10 of the State technical committee established under
11 subtitle G;

12 “(2) 40 percent of the funds and acres to
13 projects based on a national competitive process to
14 be established by the Secretary; and

15 “(3) 35 percent of the funds and acres to
16 projects for critical conservation areas designated
17 under section 1271F.

18 “(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—
19 None of the funds made available or reserved for the pro-
20 gram may be used to pay for the administrative expenses
21 of eligible partners.

22 **“SEC. 1271E. ADMINISTRATION.**

23 “(a) DISCLOSURE.—In addition to the criteria used
24 in evaluating applications as described in section
25 1271B(d)(2), the Secretary shall make publicly available

1 information on projects selected through the competitive
2 process described in section 1271B(d)(1).

3 “(b) REPORTING.—Not later than December 31,
4 2014, and every two years thereafter, the Secretary shall
5 submit to the Committee on Agriculture of the House of
6 Representatives and the Committee on Agriculture, Nutri-
7 tion, and Forestry of the Senate a report on the status
8 of projects funded under the program, including—

9 “(1) the number and types of eligible partners
10 and producers participating in the partnership
11 agreements selected;

12 “(2) the number of producers receiving assist-
13 ance;

14 “(3) total funding committed to projects, in-
15 cluding from Federal and non-Federal resources;
16 and

17 “(4) a description of how the funds under sec-
18 tion 1271C(b)(2) are being administered, includ-
19 ing—

20 “(A) any oversight mechanisms that the
21 Secretary has implemented;

22 “(B) the process through which the Sec-
23 retary is resolving appeals by program partici-
24 pants; and

1 “(C) the means by which the Secretary is
2 tracking adherence to any applicable provisions
3 for payment eligibility.

4 **“SEC. 1271F. CRITICAL CONSERVATION AREAS.**

5 “(a) IN GENERAL.—In administering funds under
6 section 1271D(d)(3), the Secretary shall select applica-
7 tions for partnership agreements and producer contracts
8 within critical conservation areas designated under this
9 section.

10 “(b) CRITICAL CONSERVATION AREA DESIGNA-
11 TIONS.—

12 “(1) PRIORITY.—In designating critical con-
13 servation areas under this section, the Secretary
14 shall give priority to geographical areas based on the
15 degree to which the geographical area—

16 “(A) includes multiple States with signifi-
17 cant agricultural production;

18 “(B) is covered by an existing regional,
19 State, binational, or multistate agreement or
20 plan that has established objectives, goals, and
21 work plans and is adopted by a Federal, State,
22 or regional authority;

23 “(C) would benefit from water quality im-
24 provement, including through reducing erosion,
25 promoting sediment control, and addressing nu-

1 trient management activities affecting large
2 bodies of water of regional, national, or inter-
3 national significance;

4 “(D) would benefit from water quantity
5 improvement, including improvement relating
6 to—

7 “(i) groundwater, surface water, aqui-
8 fer, or other water sources; or

9 “(ii) a need to promote water reten-
10 tion and flood prevention; or

11 “(E) contains producers that need assist-
12 ance in meeting or avoiding the need for a nat-
13 ural resource regulatory requirement that could
14 have a negative impact on the economic scope
15 of the agricultural operations within the area.

16 “(2) EXPIRATION.—Critical conservation area
17 designations under this section shall expire after 5
18 years, subject to redesignation, except that the Sec-
19 retary may withdraw designation from an area if the
20 Secretary finds the area no longer meets the condi-
21 tions described in paragraph (1).

22 “(3) LIMITATION.—The Secretary may not des-
23 ignate more than 8 geographical areas as critical
24 conservation areas under this section.

25 “(c) ADMINISTRATION.—

1 “(1) IN GENERAL.—Except as provided in para-
2 graph (2), the Secretary shall administer any part-
3 nership agreement or producer contract under this
4 section in a manner that is consistent with the terms
5 of the program.

6 “(2) RELATIONSHIP TO EXISTING ACTIVITY.—
7 The Secretary shall, to the maximum extent prac-
8 ticable, ensure that eligible activities carried out in
9 critical conservation areas designated under this sec-
10 tion complement and are consistent with other Fed-
11 eral and State programs and water quality and
12 quantity strategies.

13 “(3) ADDITIONAL AUTHORITY.—For a critical
14 conservation area described in subsection (b)(1)(D),
15 the Secretary may use authorities under the Water-
16 shed Protection and Flood Prevention Act (16
17 U.S.C. 1001 et seq.), other than section 14 of such
18 Act (16 U.S.C. 1012), to carry out projects for the
19 purposes of this section.”.

20 **Subtitle F—Other Conservation** 21 **Programs**

22 **SEC. 2501. CONSERVATION OF PRIVATE GRAZING LAND.**

23 Section 1240M(e) of the Food Security Act of 1985
24 (16 U.S.C. 3839bb(e)) is amended by striking “2012” and
25 inserting “2018”.

1 **SEC. 2502. GRASSROOTS SOURCE WATER PROTECTION**
2 **PROGRAM.**

3 Section 1240O(b) of the Food Security Act of 1985
4 (16 U.S.C. 3839bb–2(b)) is amended to read as follows:

5 “(b) FUNDING.—

6 “(1) AUTHORIZATION OF APPROPRIATIONS.—

7 There is authorized to be appropriated to carry out
8 this section \$20,000,000 for each of fiscal years
9 2008 through 2018.

10 “(2) AVAILABILITY OF FUNDS.—In addition to
11 funds made available under paragraph (1), of the
12 funds of the Commodity Credit Corporation, the
13 Secretary shall use \$5,000,000, to remain available
14 until expended.”.

15 **SEC. 2503. VOLUNTARY PUBLIC ACCESS AND HABITAT IN-**
16 **CENTIVE PROGRAM.**

17 (a) FUNDING.—Section 1240R(f)(1) of the Food Se-
18 curity Act of 1985 (16 U.S.C. 3839bb–5(f)(1)) is amend-
19 ed—

20 (1) in the heading, by striking “FISCAL YEARS
21 2009 THROUGH 2012” and inserting “MANDATORY
22 FUNDING”; and

23 (2) by inserting “and \$40,000,000 for the pe-
24 riod of fiscal years 2014 through 2018” before the
25 period at the end.

1 (b) REPORT ON PROGRAM EFFECTIVENESS.—Not
2 later than 2 years after the date of enactment of this Act,
3 the Secretary of Agriculture shall submit to the Com-
4 mittee on Agriculture of the House of Representatives and
5 the Committee on Agriculture, Nutrition, and Forestry of
6 the Senate a report evaluating the effectiveness of the vol-
7 untary public access and habitat incentive program estab-
8 lished by section 1240R of the Food Security Act of 1985
9 (16 U.S.C. 3839bb–5), including—

10 (1) identifying cooperating agencies;

11 (2) identifying the number of land holdings and
12 total acres enrolled by State;

13 (3) evaluating the extent of improved access on
14 eligible land, improved wildlife habitat, and related
15 economic benefits; and

16 (4) any other relevant information and data re-
17 lating to the program that would be helpful to such
18 Committees.

19 **SEC. 2504. AGRICULTURE CONSERVATION EXPERIENCED**
20 **SERVICES PROGRAM.**

21 Subsection (c)(2) of section 1252 of the Food Secu-
22 rity Act of 1985 (16 U.S.C. 3851) is amended to read
23 as follows:

1 “(2) EXCLUSION.—Funds made available to
2 carry out the conservation reserve program may not
3 be used to carry out the ACES program.”.

4 **SEC. 2505. SMALL WATERSHED REHABILITATION PRO-**
5 **GRAM.**

6 (a) AVAILABILITY OF FUNDS.—Section 14(h)(1) of
7 the Watershed Protection and Flood Prevention Act (16
8 U.S.C. 1012(h)(1)) is amended—

9 (1) in subparagraph (E), by striking “; and”
10 and inserting a semicolon;

11 (2) in subparagraph (F), by striking the period
12 and inserting a semicolon;

13 (3) in subparagraph (G), by striking the period
14 and inserting “; and”; and

15 (4) by adding at the end the following new sub-
16 paragraph:

17 “(H) \$250,000,000 for fiscal year 2014, to
18 remain available until expended.”.

19 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
20 14(h)(2)(E) of the Watershed Protection and Flood Pre-
21 vention Act (16 U.S.C. 1012(h)(2)(E)) is amended by
22 striking “2012” and inserting “2018”.

1 **SEC. 2506. EMERGENCY WATERSHED PROTECTION PRO-**
2 **GRAM.**

3 Section 403 of the Agricultural Credit Act of 1978
4 (16 U.S.C. 2203) is amended—

5 (1) by striking “**Sec. 403.** The Secretary” and
6 inserting the following:

7 **“SEC. 403. EMERGENCY MEASURES.**

8 “(a) IN GENERAL.—The Secretary”; and

9 (2) by adding at the end the following:

10 “(b) FLOODPLAIN EASEMENTS.—

11 “(1) MODIFICATION AND TERMINATION.—The
12 Secretary may modify or terminate a floodplain
13 easement administered by the Secretary under this
14 section if—

15 “(A) the current owner agrees to the modi-
16 fication or termination; and

17 “(B) the Secretary determines that the
18 modification or termination—

19 “(i) will address a compelling public
20 need for which there is no practicable al-
21 ternative; and

22 “(ii) is in the public interest.

23 “(2) CONSIDERATION.—

24 “(A) TERMINATION.—As consideration for
25 termination of an easement and associated
26 agreements under paragraph (1), the Secretary

1 shall enter into compensatory arrangements as
2 determined to be appropriate by the Secretary.

3 “(B) MODIFICATION.—In the case of a
4 modification under paragraph (1)—

5 “(i) as a condition of the modification,
6 the current owner shall enter into a com-
7 pensatory arrangement (as determined to
8 be appropriate by the Secretary) to incur
9 the costs of modification; and

10 “(ii) the Secretary shall ensure that—

11 “(I) the modification will not ad-
12 versely affect the floodplain functions
13 and values for which the easement
14 was acquired;

15 “(II) any adverse impacts will be
16 mitigated by enrollment and restora-
17 tion of other land that provides great-
18 er floodplain functions and values at
19 no additional cost to the Federal Gov-
20 ernment; and

21 “(III) the modification will result
22 in equal or greater environmental and
23 economic values to the United
24 States.”.

1 **SEC. 2507. TERMINAL LAKES.**

2 Section 2507 of the Farm Security and Rural Invest-
3 ment Act of 2002 (43 U.S.C. 2211 note; Public Law 107–
4 171) is amended to read as follows:

5 **“SEC. 2507. TERMINAL LAKES ASSISTANCE.**

6 “(a) DEFINITIONS.—In this section:

7 “(1) ELIGIBLE LAND.—The term ‘eligible land’
8 means privately owned agricultural land (including
9 land in which a State has a property interest as a
10 result of State water law)—

11 “(A) that a landowner voluntarily agrees to
12 sell to a State; and

13 “(B) which—

14 “(i)(I) is ineligible for enrollment as a
15 wetland reserve easement established under
16 the agricultural conservation easement pro-
17 gram under subtitle H of the Food Secu-
18 rity Act of 1985;

19 “(II) is flooded to—

20 “(aa) an average depth of at
21 least 6.5 feet; or

22 “(bb) a level below which
23 the State determines the manage-
24 ment of the water level is beyond
25 the control of the State or land-
26 owner; or

1 “(III) is inaccessible for agricul-
2 tural use due to the flooding of ad-
3 joining property (such as islands of
4 agricultural land created by flooding);

5 “(ii) is located within a watershed
6 with water rights available for lease or
7 purchase; and

8 “(iii) has been used during at least 5
9 of the immediately preceding 30 years—

10 “(I) to produce crops or hay; or

11 “(II) as livestock pasture or
12 grazing.

13 “(2) PROGRAM.—The term ‘program’ means
14 the voluntary land purchase program established
15 under this section.

16 “(3) TERMINAL LAKE.—The term ‘terminal
17 lake’ means a lake and its associated riparian and
18 watershed resources that is—

19 “(A) considered flooded because there is no
20 natural outlet for water accumulating in the
21 lake or the associated riparian area such that
22 the watershed and surrounding land is consist-
23 ently flooded; or

24 “(B) considered terminal because it has no
25 natural outlet and is at risk due to a history of

1 consistent Federal assistance to address critical
2 resource conditions, including insufficient water
3 available to meet the needs of the lake, general
4 uses, and water rights.

5 “(b) ASSISTANCE.—The Secretary shall—

6 “(1) provide grants under subsection (c) for the
7 purchase of eligible land impacted by a terminal lake
8 described in subsection (a)(3)(A); and

9 “(2) provide funds to the Secretary of the Inte-
10 rior pursuant to subsection (e)(2) with assistance in
11 accordance with subsection (d) for terminal lakes de-
12 scribed in subsection (a)(3)(B).

13 “(c) LAND PURCHASE GRANTS.—

14 “(1) IN GENERAL.—Using funds provided
15 under subsection (e)(1), the Secretary shall make
16 available land purchase grants to States for the pur-
17 chase of eligible land in accordance with this sub-
18 section.

19 “(2) IMPLEMENTATION.—

20 “(A) AMOUNT.—A land purchase grant
21 shall be in an amount not to exceed the lesser
22 of—

23 “(i) 50 percent of the total purchase
24 price per acre of the eligible land; or

1 “(ii)(I) in the case of eligible land
2 that was used to produce crops or hay,
3 \$400 per acre; and

4 “(II) in the case of eligible land
5 that was pasture or grazing land,
6 \$200 per acre.

7 “(B) DETERMINATION OF PURCHASE
8 PRICE.—A State purchasing eligible land with a
9 land purchase grant shall ensure, to the max-
10 imum extent practicable, that the purchase
11 price of such land reflects the value, if any, of
12 other encumbrances on the eligible land to be
13 purchased, including easements and mineral
14 rights.

15 “(C) COST-SHARE REQUIRED.—To be eligi-
16 ble to receive a land purchase grant, a State
17 shall provide matching non-Federal funds in an
18 amount equal to 50 percent of the amount de-
19 scribed in subparagraph (A), including addi-
20 tional non-Federal funds.

21 “(D) CONDITIONS.—To receive a land pur-
22 chase grant, a State shall agree—

23 “(i) to ensure that any eligible land
24 purchased is—

1 “(I) conveyed in fee simple to the
2 State; and

3 “(II) free from mortgages or
4 other liens at the time title is trans-
5 ferred;

6 “(ii) to maintain ownership of the eli-
7 gible land in perpetuity;

8 “(iii) to pay (from funds other than
9 grant dollars awarded) any costs associ-
10 ated with the purchase of eligible land
11 under this section, including surveys and
12 legal fees; and

13 “(iv) to keep eligible land in a con-
14 serving use, as defined by the Secretary.

15 “(E) LOSS OF FEDERAL BENEFITS.—Eligi-
16 ble land purchased with a grant under this sec-
17 tion shall lose eligibility for any benefits under
18 other Federal programs, including—

19 “(i) benefits under title XII of the
20 Food Security Act of 1985 (16 U.S.C.
21 3801 et seq.);

22 “(ii) benefits under the Federal Crop
23 Insurance Act (7 U.S.C. 1501 et seq.); and

1 “(iii) covered benefits described in
2 section 1001D(b) of the Food Security Act
3 of 1985 (7 U.S.C. 1308–3a).

4 “(F) PROHIBITION.—Any Federal rights
5 or benefits associated with eligible land prior to
6 purchase by a State may not be transferred to
7 any other land or person in anticipation of or
8 as a result of such purchase.

9 “(d) WATER ASSISTANCE.—

10 “(1) IN GENERAL.—The Secretary of the Inte-
11 rior, acting through the Commissioner of Reclama-
12 tion, may use the funds described in subsection
13 (e)(2) to administer and provide financial assistance
14 to carry out this subsection to provide water and as-
15 sistance to a terminal lake described in subsection
16 (a)(3)(B) through willing sellers or willing partici-
17 pants only—

18 “(A) to lease water;

19 “(B) to purchase land, water appurtenant
20 to the land, and related interests; and

21 “(C) to carry out research, support, and
22 conservation activities for associated fish, wild-
23 life, plant, and habitat resources.

24 “(2) EXCLUSIONS.—The Secretary of the Inte-
25 rior may not use this subsection to deliver assistance

1 to the Great Salt Lake in Utah, lakes that are con-
2 sidered dry lakes, or other lakes that do not meet
3 the purposes of this section, as determined by the
4 Secretary of the Interior.

5 “(3) TRANSITIONAL PROVISION.—

6 “(A) IN GENERAL.—Notwithstanding any
7 other provision of this section, any funds made
8 available before the date of enactment of the
9 Agricultural Act of 2014 under a provision of
10 law described in subparagraph (B) shall remain
11 available using the provisions of law (including
12 regulations) in effect on the day before the date
13 of enactment of that Act.

14 “(B) DESCRIBED LAWS.—The provisions
15 of law described in this section are—

16 “(i) section 2507 of the Farm Secu-
17 rity and Rural Investment Act of 2002 (43
18 U.S.C. 2211 note; Public Law 107–171)
19 (as in effect on the day before the date of
20 enactment of the Agricultural Act of
21 2014);

22 “(ii) section 207 of the Energy and
23 Water Development Appropriations Act,
24 2003 (Public Law 108–7; 117 Stat. 146);

1 “(iii) section 208 of the Energy and
2 Water Development Appropriations Act,
3 2006 (Public Law 109–103; 119 Stat.
4 2268, 123 Stat. 2856); and

5 “(iv) section 208 of the Energy and
6 Water Development and Related Agencies
7 Appropriations Act, 2010 (Public Law
8 111–85; 123 Stat. 2858, 123 Stat. 2967,
9 125 Stat. 867).

10 “(e) FUNDING.—

11 “(1) AUTHORIZATION OF APPROPRIATIONS.—
12 There is authorized to be appropriated to the Sec-
13 retary to carry out subsection (c) \$25,000,000, to
14 remain available until expended.

15 “(2) COMMODITY CREDIT CORPORATION.—As
16 soon as practicable after the date of enactment of
17 the Agricultural Act of 2014, the Secretary shall
18 transfer to the ‘Bureau of Reclamation—Water and
19 Related Resources’ account \$150,000,000 from the
20 funds of the Commodity Credit Corporation to carry
21 out subsection (d), to remain available until ex-
22 pended.”.

1 **SEC. 2508. SOIL AND WATER RESOURCES CONSERVATION.**

2 (a) CONGRESSIONAL POLICY AND DECLARATION OF
3 PURPOSE.—Section 4 of the Soil and Water Resources
4 Conservation Act of 1977 (16 U.S.C. 2003) is amended—

5 (1) in subsection (b), by inserting “and tribal”
6 after “State” each place it appears; and

7 (2) in subsection (c)(2), by inserting “, tribal,”
8 after “State”.

9 (b) CONTINUING APPRAISAL OF SOIL, WATER, AND
10 RELATED RESOURCES.—Section 5 of the Soil and Water
11 Resources Conservation Act of 1977 (16 U.S.C. 2004) is
12 amended—

13 (1) in subsection (a)(4), by striking “and
14 State” and inserting “, State, and tribal”;

15 (2) in subsection (b), by inserting “, tribal”
16 after “State” each place it appears; and

17 (3) in subsection (c)—

18 (A) by striking “State soil” and inserting
19 “State and tribal soil”; and

20 (B) by striking “local” and inserting
21 “local, tribal,”.

22 (c) SOIL AND WATER CONSERVATION PROGRAM.—
23 Section 6(a) of the Soil and Water Resources Conservation
24 Act of 1977 (16 U.S.C. 2005(a)) is amended—

25 (1) by inserting “, tribal,” after “State” the
26 first place it appears;

1 (2) by inserting “, tribal” after “State” each
2 other place it appears; and

3 (3) by inserting “, tribal,” after “private”.

4 (d) UTILIZATION OF AVAILABLE INFORMATION AND
5 DATA.—Section 9 of the Soil and Water Resources Con-
6 servation Act of 1977 (16 U.S.C. 2008) is amended by
7 inserting “, tribal” after “State”.

8 **Subtitle G—Funding and** 9 **Administration**

10 **SEC. 2601. FUNDING.**

11 (a) IN GENERAL.—Section 1241 of the Food Security
12 Act of 1985 (16 U.S.C. 3841) is amended by striking sub-
13 section (a) and inserting the following:

14 “(a) ANNUAL FUNDING.—For each of fiscal years
15 2014 through 2018, the Secretary shall use the funds, fa-
16 cilities, and authorities of the Commodity Credit Corpora-
17 tion to carry out the following programs under this title
18 (including the provision of technical assistance):

19 “(1) The conservation reserve program under
20 subchapter B of chapter 1 of subtitle D, including,
21 to the maximum extent practicable—

22 “(A) \$10,000,000 for the period of fiscal
23 years 2014 through 2018 to provide payments
24 under section 1234(c); and

1 “(B) \$33,000,000 for the period of fiscal
2 years 2014 through 2018 to carry out section
3 1235(f) to facilitate the transfer of land subject
4 to contracts from retired or retiring owners and
5 operators to beginning farmers or ranchers and
6 socially disadvantaged farmers or ranchers.

7 “(2) The agricultural conservation easement
8 program under subtitle H using to the maximum ex-
9 tent practicable—

10 “(A) \$400,000,000 for fiscal year 2014;

11 “(B) \$425,000,000 for fiscal year 2015;

12 “(C) \$450,000,000 for fiscal year 2016;

13 “(D) \$500,000,000 for fiscal year 2017;

14 and

15 “(E) \$250,000,000 for fiscal year 2018.

16 “(3) The conservation security program under
17 subchapter A of chapter 2 of subtitle D, using such
18 sums as are necessary to administer contracts en-
19 tered into before September 30, 2008.

20 “(4) The conservation stewardship program
21 under subchapter B of chapter 2 of subtitle D.

22 “(5) The environmental quality incentives pro-
23 gram under chapter 4 of subtitle D, using, to the
24 maximum extent practicable—

25 “(A) \$1,350,000,000 for fiscal year 2014;

1 “(B) \$1,600,000,000 for fiscal year 2015;
2 “(C) \$1,650,000,000 for fiscal year 2016;
3 “(D) \$1,650,000,000 for fiscal year 2017;
4 and
5 “(E) \$1,750,000,000 for fiscal year
6 2018.”.

7 (b) GUARANTEED AVAILABILITY OF FUNDS.—Sec-
8 tion 1241 of the Food Security Act of 1985 (16 U.S.C.
9 3841) is amended—

10 (1) by redesignating subsections (b) through (h)
11 as subsections (c) through (i), respectively;

12 (2) by inserting after subsection (a) the fol-
13 lowing:

14 “(b) AVAILABILITY OF FUNDS.—Amounts made
15 available by subsection (a) for fiscal years 2014 through
16 2018 shall be used by the Secretary to carry out the pro-
17 grams specified in such subsection and shall remain avail-
18 able until expended.”; and

19 (3) in subsection (d) (as redesignated by para-
20 graph (1)), by striking “subsection (b)” and insert-
21 ing “subsection (c)”.

22 **SEC. 2602. TECHNICAL ASSISTANCE.**

23 Section 1241 of the Food Security Act of 1985 (16
24 U.S.C. 3841) is amended by striking subsection (c) (as

1 redesignated by section 2601(b)(1)) and inserting the fol-
2 lowing:

3 “(c) TECHNICAL ASSISTANCE.—

4 “(1) AVAILABILITY.—Commodity Credit Cor-
5 poration funds made available for a fiscal year for
6 each of the programs specified in subsection (a)—

7 “(A) shall be available for the provision of
8 technical assistance for the programs for which
9 funds are made available as necessary to imple-
10 ment the programs effectively;

11 “(B) except for technical assistance for the
12 conservation reserve program under subchapter
13 B of chapter 1 of subtitle D, shall be appor-
14 tioned for the provision of technical assistance
15 in the amount determined by the Secretary, at
16 the sole discretion of the Secretary; and

17 “(C) shall not be available for the provi-
18 sion of technical assistance for conservation
19 programs specified in subsection (a) other than
20 the program for which the funds were made
21 available.

22 “(2) PRIORITY.—

23 “(A) IN GENERAL.—In the delivery of
24 technical assistance under the Soil Conservation
25 and Domestic Allotment Act (16 U.S.C. 590a et

1 seq.), the Secretary shall give priority to pro-
2 ducers who request technical assistance from
3 the Secretary in order to comply for the first
4 time with the requirements of subtitle B and
5 subtitle C of this title as a result of the amend-
6 ments made by section 2611 of the Agricultural
7 Act of 2014.

8 “(B) REPORT.—Not later than 270 days
9 after the date of enactment of the Agricultural
10 Act of 2014, the Secretary shall submit to the
11 Committee on Agriculture of the House of Rep-
12 resentatives and the Committee on Agriculture,
13 Nutrition, and Forestry of the Senate a report
14 regarding the extent to which the conservation
15 compliance requirements contained in the
16 amendments made by section 2611 of the Agri-
17 cultural Act of 2014 apply to and impact spe-
18 cialty crop growers, including national analysis
19 and surveys to determine the extent of specialty
20 crop acreage that includes highly erodible land
21 and wetlands.

22 “(3) REPORT.—Not later than December 31,
23 2014, the Secretary shall submit (and update as
24 necessary in subsequent years) to the Committee on
25 Agriculture of the House of Representatives and the

1 Committee on Agriculture, Nutrition, and Forestry
2 of the Senate a report—

3 “(A) detailing the amount of technical as-
4 sistance funds requested and apportioned in
5 each program specified in subsection (a) during
6 the preceding fiscal year; and

7 “(B) any other data relating to this provi-
8 sion that would be helpful to such Committees.

9 “(4) COMPLIANCE REPORT.—Not later than
10 November 1 of each year, the Secretary shall submit
11 to the Committee on Agriculture of the House of
12 Representatives and the Committee on Agriculture,
13 Nutrition, and Forestry of the Senate a report that
14 includes—

15 “(A) a description of the extent to which
16 the requests for highly erodible land conserva-
17 tion and wetland compliance determinations are
18 being addressed in a timely manner;

19 “(B) the total number of requests com-
20 pleted in the previous fiscal year;

21 “(C) the incomplete determinations on
22 record; and

23 “(D) the number of requests that are still
24 outstanding more than 1 year since the date on

1 which the requests were received from the pro-
2 ducer.”.

3 **SEC. 2603. REGIONAL EQUITY.**

4 Section 1241 of the Food Security Act of 1985 (16
5 U.S.C. 3841) is amended by striking subsection (e) (as
6 redesignated by section 2601(b)(1)) and inserting the fol-
7 lowing:

8 “(e) REGIONAL EQUITY.—

9 “(1) EQUITABLE DISTRIBUTION.—When deter-
10 mining funding allocations each fiscal year, the Sec-
11 retary shall, after considering available funding and
12 program demand in each State, provide a distribu-
13 tion of funds for conservation programs under sub-
14 title D (excluding the conservation reserve program
15 under subchapter B of chapter 1), subtitle H, and
16 subtitle I to ensure equitable program participation
17 proportional to historical funding allocations and
18 usage by all States.

19 “(2) MINIMUM PERCENTAGE.—In determining
20 the specific funding allocations under paragraph (1),
21 the Secretary shall—

22 “(A) ensure that during the first quarter
23 of each fiscal year each State has the oppor-
24 tunity to establish that the State can use an ag-
25 gregate allocation amount of at least 0.6 per-

1 cent of the funds made available for those con-
2 servation programs; and

3 “(B) for each State that can so establish,
4 provide an aggregate amount of at least 0.6
5 percent of the funds made available for those
6 conservation programs.”.

7 **SEC. 2604. RESERVATION OF FUNDS TO PROVIDE ASSIST-**
8 **ANCE TO CERTAIN FARMERS OR RANCHERS**
9 **FOR CONSERVATION ACCESS.**

10 Subsection (h) of section 1241 of the Food Security
11 Act of 1985 (16 U.S.C. 3841) (as redesignated by section
12 2601(b)(1)) is amended—

13 (1) in paragraph (1) by striking “2012” and in-
14 serting “2018”; and

15 (2) by adding at the end the following new
16 paragraph:

17 “(4) PREFERENCE.—In providing assistance
18 under paragraph (1), the Secretary shall give pref-
19 erence to a veteran farmer or rancher (as defined in
20 section 2501(e) of the Food, Agriculture, Conserva-
21 tion, and Trade Act of 1990 (7 U.S.C. 2279(e)))
22 that qualifies under subparagraph (A) or (B) of
23 paragraph (1).”.

1 **SEC. 2605. ANNUAL REPORT ON PROGRAM ENROLLMENTS**
2 **AND ASSISTANCE.**

3 Subsection (i) of section 1241 of the Food Security
4 Act of 1985 (16 U.S.C. 3841) (as redesignated by section
5 2601(b)(1)) is amended—

6 (1) in paragraph (1), by striking “wetlands re-
7 serve program” and inserting “agricultural conserva-
8 tion easement program”;

9 (2) by striking paragraphs (2) and (3) and re-
10 designating paragraphs (4), (5), and (6) as para-
11 graphs (2), (3), and (4), respectively;

12 (3) in paragraph (3) (as so redesignated)—

13 (A) by striking “agricultural water en-
14 hancement program” and inserting “regional
15 conservation partnership program”; and

16 (B) by striking “1240I(g)” and inserting
17 “1271C(c)(3)”; and

18 (4) by adding at the end the following:

19 “(5) Payments made under the conservation
20 stewardship program.

21 “(6) Exceptions provided by the Secretary
22 under section 1265B(b)(2)(C).”.

23 **SEC. 2606. ADMINISTRATIVE REQUIREMENTS APPLICABLE**
24 **TO ALL CONSERVATION PROGRAMS.**

25 Section 1244 of the Food Security Act of 1985 (16
26 U.S.C. 3844) is amended—

1 (1) in subsection (a)(2), by adding at the end
2 the following new subparagraph:

3 “(E) Veteran farmers or ranchers (as de-
4 fined in section 2501(e) of the Food, Agri-
5 culture, Conservation, and Trade Act of 1990
6 (7 U.S.C. 2279(e))).”;

7 (2) in subsection (d), by inserting “, H, and I”
8 before the period at the end;

9 (3) in subsection (f)—

10 (A) in paragraph (1)(B), by striking
11 “country” and inserting “county”; and

12 (B) in paragraph (3), by striking “sub-
13 section (c)(2)(B) or (f)(4)” and inserting “sub-
14 section (d)(2)(A)(ii) or (g)(2)”;

15 (4) in subsection (h)(2), by inserting “, includ-
16 ing, to the extent practicable, practices that maxi-
17 mize benefits for honey bees” after “pollinators”;
18 and

19 (5) by adding at the end the following new sub-
20 sections:

21 “(j) IMPROVED ADMINISTRATIVE EFFICIENCY AND
22 EFFECTIVENESS.—In administering a conservation pro-
23 gram under this title, the Secretary shall, to the maximum
24 extent practicable—

1 “(1) seek to reduce administrative burdens and
2 costs to producers by streamlining conservation
3 planning and program resources; and

4 “(2) take advantage of new technologies to en-
5 hance efficiency and effectiveness.

6 “(k) RELATION TO OTHER PAYMENTS.—Any pay-
7 ment received by an owner or operator under this title,
8 including an easement payment or rental payment, shall
9 be in addition to, and not affect, the total amount of pay-
10 ments that the owner or operator is otherwise eligible to
11 receive under any of the following:

12 “(1) This Act.

13 “(2) The Agricultural Act of 1949 (7 U.S.C.
14 1421 et seq.).

15 “(3) The Agricultural Act of 2014.

16 “(4) Any law that succeeds a law specified in
17 paragraph (1), (2), or (3).

18 “(l) FUNDING FOR INDIAN TRIBES.—In carrying out
19 the conservation stewardship program under subchapter
20 B of chapter 2 of subtitle D and the environmental quality
21 incentives program under chapter 4 of subtitle D, the Sec-
22 retary may enter into alternative funding arrangements
23 with Indian tribes if the Secretary determines that the
24 goals and objectives of the programs will be met by such
25 arrangements, and that statutory limitations regarding

1 contracts with individual producers will not be exceeded
2 by any tribal member.”.

3 **SEC. 2607. STANDARDS FOR STATE TECHNICAL COMMIT-**
4 **TEES.**

5 Section 1261(b) of the Food Security Act of 1985
6 (16 U.S.C. 3861(b)) is amended by striking “Not later
7 than 180 days after the date of enactment of the Food,
8 Conservation, and Energy Act of 2008, the Secretary shall
9 develop” and inserting “The Secretary shall review and
10 update as necessary”.

11 **SEC. 2608. RULEMAKING AUTHORITY.**

12 Subtitle E of title XII of the Food Security Act of
13 1985 (16 U.S.C. 3841 et seq.) is amended by adding at
14 the end the following new section:

15 **“SEC. 1246. REGULATIONS.**

16 “(a) IN GENERAL.—The Secretary shall promulgate
17 such regulations as are necessary to implement programs
18 under this title, including such regulations as the Sec-
19 retary determines to be necessary to ensure a fair and rea-
20 sonable application of the limitations established under
21 section 1244(f).

22 “(b) RULEMAKING PROCEDURE.—The promulgation
23 of regulations and administration of programs under this
24 title—

1 “(1) shall be carried out without regard to
2 chapter 35 of title 44, United States Code (com-
3 monly known as the Paperwork Reduction Act); and

4 “(2) shall be made as an interim rule effective
5 on publication with an opportunity for notice and
6 comment.

7 “(c) CONGRESSIONAL REVIEW OF AGENCY RULE-
8 MAKING.—In promulgating regulations under this section,
9 the Secretary shall use the authority provided under sec-
10 tion 808 of title 5, United States Code.”.

11 **SEC. 2609. WETLANDS MITIGATION.**

12 Section 1222(k) of the Food Security Act of 1985
13 (16 U.S.C. 3822(k)) is amended to read as follows:

14 “(k) MITIGATION BANKING.—

15 “(1) MITIGATION BANKING PROGRAM.—

16 “(A) IN GENERAL.—Using authorities
17 available to the Secretary, the Secretary shall
18 operate a program or work with third parties to
19 establish mitigation banks to assist persons in
20 complying with the provisions of this section
21 while mitigating any loss of wetland values and
22 functions.

23 “(B) FUNDING.—Of the funds of the Com-
24 modity Credit Corporation, the Secretary shall

1 use \$10,000,000, to remain available until ex-
2 pended, to carry out this paragraph.

3 “(2) APPLICABILITY.—Subsection (f)(2)(C)
4 shall not apply to this subsection.

5 “(3) POLICY AND CRITERIA.—The Secretary
6 shall develop the appropriate policy and criteria that
7 will allow willing persons to access existing mitiga-
8 tion banks, under this section or any other author-
9 ity, that will serve the purposes of this section with-
10 out requiring the Secretary to hold an easement, in
11 whole or in part, in a mitigation bank.”.

12 **SEC. 2610. LESSER PRAIRIE-CHICKEN CONSERVATION RE-**
13 **PORT.**

14 (a) IN GENERAL.—Not later than 90 days after the
15 date of enactment of this Act, the Secretary of Agriculture
16 shall submit to the Committee on Agriculture of the House
17 of Representatives and the Committee on Agriculture, Nu-
18 trition, and Forestry of the Senate a report containing the
19 results of a review and analysis of each of the activities
20 (including those administered by the Secretary) that per-
21 tain to the conservation of the lesser prairie-chicken, in-
22 cluding the conservation reserve program, the environ-
23 mental quality incentives program, the Lesser Prairie-
24 Chicken Initiative, the Western Association of Fish and
25 Wildlife Agencies Candidate Conservation Agreement with

1 Assurances for Oil and Gas, and the Western Association
2 of Fish and Wildlife Agencies Lesser Prairie-Chicken
3 Range-Wide Conservation Plan.

4 (b) CONTENTS.—The Secretary shall include in the
5 report required by this section, at a minimum—

6 (1) with respect to each activity described in
7 subsection (a) as it relates to the conservation of the
8 lesser prairie-chicken, findings regarding—

9 (A) the cost of the activity to the Federal
10 Government, impacted State governments, and
11 the private sector;

12 (B) the conservation effectiveness of the
13 activity; and

14 (C) the cost effectiveness of the activity;
15 and

16 (2) a ranking of the activities described in sub-
17 section (a) based on their relative cost effectiveness.

18 **SEC. 2611. HIGHLY ERODIBLE LAND AND WETLAND CON-**
19 **SERVATION FOR CROP INSURANCE.**

20 (a) HIGHLY ERODIBLE LAND PROGRAM INELIGI-
21 BILITY.—

22 (1) IN GENERAL.—Section 1211(a)(1) of the
23 Food Security Act of 1985 (16 U.S.C. 3811(a)(1))
24 is amended—

1 (A) in subparagraph (C), by striking “or”
2 at the end;

3 (B) in subparagraph (D), by adding “or”
4 at the end; and

5 (C) by adding at the end the following:

6 “(E) any portion of the premium paid by
7 the Federal Crop Insurance Corporation for a
8 policy or plan of insurance under the Federal
9 Crop Insurance Act (7 U.S.C. 1501 et seq.), on
10 the condition that if a person is determined to
11 have committed a violation under this sub-
12 section during a crop year, ineligibility under
13 this subparagraph shall—

14 “(i) only apply to reinsurance years
15 subsequent to the date of final determina-
16 tion of a violation, including all adminis-
17 trative appeals; and

18 “(ii) not apply to the existing reinsur-
19 ance year or any reinsurance year prior to
20 the date of final determination;”.

21 (2) EXEMPTIONS.—Section 1212(a)(2) of the
22 Food Security Act of 1985 (16 U.S.C. 3812(a)(2))
23 is amended—

24 (A) in the first sentence, by striking “(2)
25 If,” and inserting the following:

1 “(2) ELIGIBILITY BASED ON COMPLIANCE WITH
2 CONSERVATION PLAN.—

3 “(A) IN GENERAL.—If,”;

4 (B) in the second sentence, by striking “In
5 carrying” and inserting the following:

6 “(B) MINIMIZATION OF DOCUMENTA-
7 TION.—In carrying”; and

8 (C) by adding at the end the following:

9 “(C) CROP INSURANCE.—

10 “(i) OPERATIONS NEW TO COMPLI-
11 ANCE.—Notwithstanding section 1211(a),
12 in the case of a person that is subject to
13 section 1211 for the first time solely due
14 to the amendment made by section
15 2611(a) of the Agricultural Act of 2014,
16 any person who produces an agricultural
17 commodity on the land that is the basis of
18 the payments described in section
19 1211(a)(1)(E) shall have 5 reinsurance
20 years after the date on which such pay-
21 ments become subject to section 1211 to
22 develop and comply with an approved con-
23 servation plan so as to maintain eligibility
24 for such payments.

1 “(ii) EXISTING OPERATIONS WITH
2 PRIOR VIOLATIONS.—Notwithstanding sec-
3 tion 1211(a), in the case of a person that
4 the Secretary determines would have been
5 in violation of section 1211(a) if the person
6 had continued participation in the pro-
7 grams requiring compliance at any time
8 after the date of enactment of the Agricul-
9 tural Act of 2014 and is currently in viola-
10 tion of section 1211(a), the person shall
11 have 2 reinsurance years after the date on
12 which the payments described in section
13 1211(a)(1)(E) become subject to section
14 1211 to develop and comply with an ap-
15 proved conservation plan, as determined by
16 the Secretary, so as to maintain eligibility
17 for such payments.

18 “(iii) APPLICABLE REINSURANCE
19 YEAR.—Ineligibility for the payment de-
20 scribed in section 1211(a)(1)(E) for a vio-
21 lation under this subparagraph during a
22 crop year shall—

23 “(I) only apply to reinsurance
24 years subsequent to the date of a final

1 determination of a violation, including
2 all administrative appeals; and
3 “(II) not apply to the existing re-
4 insurance year or any reinsurance
5 year prior to the date of the final de-
6 termination.”.

7 (3) CROP INSURANCE PREMIUM ASSISTANCE.—
8 Section 1213(d) of the Food Security Act of 1985
9 (16 U.S.C. 3812a(d)) is amended by adding at the
10 end the following:

11 “(4) CROP INSURANCE PREMIUM ASSIST-
12 ANCE.—For the purpose of determining the eligi-
13 bility of a person for the payment described in sec-
14 tion 1211(a)(1)(E), the Secretary shall apply the
15 procedures described in section 1221(c)(3)(E) and
16 coordinate the certification process so as to avoid
17 duplication or unnecessary paperwork.”.

18 (b) WETLAND CONSERVATION PROGRAM INELIGI-
19 BILITY.—Section 1221 of the Food Security Act of 1985
20 (16 U.S.C. 3821) is amended—

21 (1) by redesignating subsections (c), (d), and
22 (e) as subsections (d), (e), and (f), respectively; and
23 (2) by inserting after subsection (b) the fol-
24 lowing:

1 “(c) INELIGIBILITY FOR CROP INSURANCE PREMIUM
2 ASSISTANCE.—

3 “(1) REQUIREMENTS.—

4 “(A) IN GENERAL.—If a person is deter-
5 mined to have committed a violation under sub-
6 section (a) or (d) during a crop year, the person
7 shall be ineligible to receive any payment of any
8 portion of premium paid by the Federal Crop
9 Insurance Corporation for a plan or policy of
10 insurance under the Federal Crop Insurance
11 Act (7 U.S.C. 1501 et seq.) pursuant to this
12 subsection.

13 “(B) APPLICABILITY.—Ineligibility under
14 this subsection shall—

15 “(i) only apply to reinsurance years
16 subsequent to the date of a final deter-
17 mination of a violation, including all ad-
18 ministrative appeals; and

19 “(ii) not apply to the existing reinsur-
20 ance year or any reinsurance year prior to
21 the date of the final determination.

22 “(2) CONVERSIONS.—

23 “(A) IN GENERAL.—Notwithstanding para-
24 graph (1), ineligibility for crop insurance pre-

1 mium assistance shall apply in accordance with
2 this paragraph.

3 “(B) NEW CONVERSIONS.—In the case of
4 a wetland that the Secretary determines was
5 converted after the date of enactment of the
6 Agricultural Act of 2014—

7 “(i) the person shall be ineligible to
8 receive crop insurance premium subsidies
9 in subsequent reinsurance years unless the
10 Secretary determines that an exemption
11 pursuant to section 1222 applies; or

12 “(ii) for any violation that the Sec-
13 retary determines impacts less than 5
14 acres of an entire farm, the person may
15 pay a contribution in an amount equal to
16 150 percent of the cost of mitigation, as
17 determined by the Secretary, to the fund
18 described in section 1241(f) for wetland
19 restoration in lieu of ineligibility to receive
20 crop insurance premium assistance.

21 “(C) PRIOR CONVERSIONS.—In the case of
22 a wetland that the Secretary determines was
23 converted prior to the date of enactment of the
24 Agricultural Act of 2014, ineligibility under this
25 subsection shall not apply.

1 “(D) CONVERSIONS AND NEW POLICIES OR
2 PLANS OF INSURANCE.—In the case of an agri-
3 cultural commodity for which an individual pol-
4 icy or plan of insurance is available for the first
5 time to the person after the date of enactment
6 of the Agricultural Act of 2014—

7 “(i) ineligibility shall apply only to
8 conversions that take place after the date
9 on which the policy or plan of insurance
10 first becomes available to the person; and

11 “(ii) the person shall take such steps
12 as the Secretary determines appropriate to
13 mitigate any prior conversion in a timely
14 manner but not to exceed 2 reinsurance
15 years.

16 “(3) LIMITATIONS.—

17 “(A) MITIGATION REQUIRED.—Except as
18 otherwise provided in this paragraph, a person
19 subject to a final determination, including all
20 administrative appeals, of a violation described
21 in subsection (d) shall have 1 reinsurance year
22 to initiate a mitigation plan to remedy the vio-
23 lation, as determined by the Secretary, before
24 becoming ineligible under this subsection in the
25 following reinsurance year to receive any pay-

1 ment of any portion of the premium paid by the
2 Federal Crop Insurance Corporation for a pol-
3 icy or plan of insurance under the Federal Crop
4 Insurance Act (7 U.S.C. 1501 et seq.).

5 “(B) PERSONS COVERED FOR THE FIRST
6 TIME.—Notwithstanding the requirements of
7 paragraph (1), in the case of a person that is
8 subject to this subsection for the first time sole-
9 ly due to the amendment made by section
10 2611(b) of the Agricultural Act of 2014, the
11 person shall have 2 reinsurance years after the
12 reinsurance year in which a final determination
13 is made, including all administrative appeals, of
14 a violation described in this subsection to take
15 such steps as the Secretary determines appro-
16 priate to remedy or mitigate the violation in ac-
17 cordance with this subsection.

18 “(C) GOOD FAITH.—If the Secretary de-
19 termines that a person subject to a final deter-
20 mination, including all administrative appeals,
21 of a violation described in this subsection acted
22 in good faith and without intent to commit a
23 violation described in this subsection as de-
24 scribed in section 1222(h), the person shall
25 have 2 reinsurance years to take such steps as

1 the Secretary determines appropriate to remedy
2 or mitigate the violation in accordance with this
3 subsection.

4 “(D) TENANT RELIEF.—

5 “(i) IN GENERAL.—If a tenant is de-
6 termined to be ineligible for payments and
7 other benefits under this subsection, the
8 Secretary may limit the ineligibility only to
9 the farm that is the basis for the ineligi-
10 bility determination if the tenant has es-
11 tablished, to the satisfaction of the Sec-
12 retary that—

13 “(I) the tenant has made a good
14 faith effort to meet the requirements
15 of this section, including enlisting the
16 assistance of the Secretary to obtain a
17 reasonable plan for restoration or
18 mitigation for the farm;

19 “(II) the landlord on the farm re-
20 fuses to comply with the plan on the
21 farm; and

22 “(III) the Secretary determines
23 that the lack of compliance is not a
24 part of a scheme or device to avoid
25 the compliance.

1 “(ii) REPORT.—The Secretary shall
2 submit to the Committee on Agriculture of
3 the House of Representatives and the
4 Committee on Agriculture, Nutrition, and
5 Forestry of the Senate an annual report
6 concerning the ineligibility determinations
7 limited during the previous 12-month pe-
8 riod under this subparagraph.

9 “(E) CERTIFICATE OF COMPLIANCE.—

10 “(i) IN GENERAL.—Beginning with
11 the first full reinsurance year immediately
12 following the date of enactment of this
13 paragraph, all persons seeking eligibility
14 for the payment of a portion of the pre-
15 mium paid by the Federal Crop Insurance
16 Corporation for a policy or plan of insur-
17 ance under the Federal Crop Insurance
18 Act (7 U.S.C. 1501 et seq.) shall provide
19 certification of compliance with this section
20 as determined by the Secretary.

21 “(ii) TIMELY EVALUATION.—The Sec-
22 retary shall evaluate the certification in a
23 timely manner and—

24 “(I) a person who has properly
25 complied with certification shall be

1 held harmless with regard to eligibility
2 during the period of evaluation; and

3 “(II) if the Secretary fails to
4 evaluate the certification in a timely
5 manner and the person is subse-
6 quently found to be in violation of this
7 subsection, ineligibility shall not apply
8 to the person for that violation.

9 “(iii) EQUITABLE CONTRIBUTION.—

10 “(I) IN GENERAL.—If a person
11 fails to notify the Secretary as re-
12 quired and is subsequently found to
13 be in violation of this subsection, the
14 Secretary shall—

15 “(aa) determine the amount
16 of an equitable contribution to
17 conservation by the person for
18 the violation; and

19 “(bb) deposit the contribu-
20 tion in the fund described in sec-
21 tion 1241(f).

22 “(II) LIMITATION.—The con-
23 tribution shall not exceed the total of
24 the portion of the premium paid by
25 the Federal Crop Insurance Corpora-

1 tion for a policy or plan of insurance
2 for all years the person is determined
3 to have been in violation subsequent
4 to the date on which certification was
5 first required under this subpara-
6 graph.

7 “(4) DUTIES OF THE SECRETARY.—

8 “(A) IN GENERAL.—In carrying out this
9 subsection, the Secretary shall use existing
10 processes and procedures for certifying compli-
11 ance.

12 “(B) RESPONSIBILITY.—The Secretary,
13 acting through the agencies of the Department
14 of Agriculture, shall be solely responsible for de-
15 termining whether a producer is eligible to re-
16 ceive crop insurance premium subsidies in ac-
17 cordance with this subsection.

18 “(C) LIMITATION.—The Secretary shall
19 ensure that no agent, approved insurance pro-
20 vider, or employee or contractor of an agency or
21 approved insurance provider, bears responsi-
22 bility or liability for the eligibility of an insured
23 producer under this subsection, other than in
24 cases of misrepresentation, fraud, or scheme
25 and device.”.

1 **Subtitle H—Repeal of Superseded**
2 **Program Authorities and Tran-**
3 **sitional Provisions; Technical**
4 **Amendments**

5 **SEC. 2701. COMPREHENSIVE CONSERVATION ENHANCE-**
6 **MENT PROGRAM.**

7 Section 1230 of the Food Security Act of 1985 (16
8 U.S.C. 3830) is repealed.

9 **SEC. 2702. EMERGENCY FORESTRY CONSERVATION RE-**
10 **SERVE PROGRAM.**

11 (a) REPEAL.—Except as provided in subsection (b),
12 section 1231A of the Food Security Act of 1985 (16
13 U.S.C. 3831a) is repealed.

14 (b) TRANSITIONAL PROVISIONS.—

15 (1) EFFECT ON EXISTING CONTRACTS AND
16 AGREEMENTS.—The amendment made by this sec-
17 tion shall not affect the validity or terms of any con-
18 tract or agreement entered into by the Secretary of
19 Agriculture under section 1231A of the Food Secu-
20 rity Act of 1985 (16 U.S.C. 3831a) before the date
21 of enactment of the Agricultural Act of 2014, or any
22 payments required to be made in connection with the
23 contract or agreement.

24 (2) FUNDING.—The Secretary may use funds
25 made available to carry out the conservation reserve

1 program under subchapter B of chapter 1 of subtitle
2 D of title XII of the Food Security Act of 1985 (16
3 U.S.C. 3831 et seq.) to continue to carry out con-
4 tracts or agreements referred to in paragraph (1)
5 using the provisions of law and regulation applicable
6 to such contracts or agreements as in existence on
7 the day before the date of enactment of the Agricul-
8 tural Act of 2014.

9 **SEC. 2703. WETLANDS RESERVE PROGRAM.**

10 (a) REPEAL.—Except as provided in subsection (b),
11 subchapter C of chapter 1 of subtitle D of title XII of
12 the Food Security Act of 1985 (16 U.S.C. 3837 et seq.)
13 is repealed.

14 (b) TRANSITIONAL PROVISIONS.—

15 (1) EFFECT ON EXISTING CONTRACTS, AGREE-
16 MENTS, AND EASEMENTS.—The amendment made
17 by this section shall not affect the validity or terms
18 of any contract, agreement, or easement entered into
19 by the Secretary of Agriculture under subchapter C
20 of chapter 1 of subtitle D of title XII of the Food
21 Security Act of 1985 (16 U.S.C. 3837 et seq.) be-
22 fore the date of enactment of the Agricultural Act
23 of 2014, or any payments required to be made in
24 connection with the contract, agreement, or ease-
25 ment.

1 (2) FUNDING.—

2 (A) USE OF PRIOR YEAR FUNDS.—Not-
3 withstanding the repeal of subchapter C of
4 chapter 1 of subtitle D of title XII of the Food
5 Security Act of 1985 (16 U.S.C. 3837 et seq.),
6 any funds made available from the Commodity
7 Credit Corporation to carry out the wetlands
8 reserve program under that subchapter for fis-
9 cal years 2009 through 2013 shall be made
10 available to carry out contracts, agreements, or
11 easements referred to in paragraph (1) that
12 were entered into prior to the date of enactment
13 of the Agricultural Act of 2014 (including the
14 provision of technical assistance), provided that
15 no such contract, agreement, or easement is
16 modified so as to increase the amount of the
17 payment received.

18 (B) OTHER.—The Secretary may use
19 funds made available to carry out the agricul-
20 tural conservation easement program under
21 subtitle H of title XII of the Food Security Act
22 of 1985, as added by section 2301, to continue
23 to carry out contracts, agreements, and ease-
24 ments referred to in paragraph (1) using the
25 provisions of law and regulation applicable to

1 such contracts, agreements, and easements as
2 in existence on the day before the date of enact-
3 ment of the Agricultural Act of 2014.

4 **SEC. 2704. FARMLAND PROTECTION PROGRAM AND FARM**
5 **VIABILITY PROGRAM.**

6 (a) REPEAL.—Except as provided in subsection (b),
7 subchapter C of chapter 2 of subtitle D of title XII of
8 the Food Security Act of 1985 (16 U.S.C. 3838h et seq.)
9 is repealed.

10 (b) TRANSITIONAL PROVISIONS.—

11 (1) EFFECT ON EXISTING AGREEMENTS AND
12 EASEMENTS.—The amendment made by this section
13 shall not affect the validity or terms of any agree-
14 ment or easement entered into by the Secretary of
15 Agriculture under subchapter C of chapter 2 of sub-
16 title D of title XII of the Food Security Act of 1985
17 (16 U.S.C. 3838h et seq.) before the date of enact-
18 ment of the Agricultural Act of 2014, or any pay-
19 ments required to be made in connection with the
20 agreement or easement.

21 (2) FUNDING.—

22 (A) USE OF PRIOR YEAR FUNDS.—Not-
23 withstanding the repeal of subchapter C of
24 chapter 2 of subtitle D of title XII of the Food
25 Security Act of 1985 (16 U.S.C. 3838h et seq.),

1 any funds made available from the Commodity
2 Credit Corporation to carry out the farmland
3 protection program under that subchapter for
4 fiscal years 2009 through 2013 shall be made
5 available to carry out agreements and ease-
6 ments referred to in paragraph (1) that were
7 entered into prior to the date of enactment of
8 the Agricultural Act of 2014 (including the pro-
9 vision of technical assistance).

10 (B) OTHER.—On exhaustion of funds
11 made available under subparagraph (A), the
12 Secretary may use funds made available to
13 carry out the agricultural conservation ease-
14 ment program under subtitle H of title XII of
15 the Food Security Act of 1985, as added by
16 section 2301, to continue to carry out agree-
17 ments and easements referred to in paragraph
18 (1) using the provisions of law and regulation
19 applicable to such agreements and easements as
20 in existence on the day before the date of enact-
21 ment of the Agricultural Act of 2014.

22 **SEC. 2705. GRASSLAND RESERVE PROGRAM.**

23 (a) REPEAL.—Except as provided in subsection (b),
24 subchapter D of chapter 2 of subtitle D of title XII of

1 the Food Security Act of 1985 (16 U.S.C. 3838n et seq.)
2 is repealed.

3 (b) TRANSITIONAL PROVISIONS.—

4 (1) EFFECT ON EXISTING CONTRACTS, AGREE-
5 MENTS, AND EASEMENTS.—The amendment made
6 by this section shall not affect the validity or terms
7 of any contract, agreement, or easement entered into
8 by the Secretary of Agriculture under subchapter D
9 of chapter 2 of subtitle D of title XII of the Food
10 Security Act of 1985 (16 U.S.C. 3838n et seq.) be-
11 fore the date of enactment of the Agricultural Act
12 of 2014, or any payments required to be made in
13 connection with the contract, agreement, or ease-
14 ment.

15 (2) FUNDING.—

16 (A) USE OF PRIOR YEAR FUNDS.—Not-
17 withstanding the repeal of subchapter D of
18 chapter 2 of subtitle D of title XII of the Food
19 Security Act of 1985 (16 U.S.C. 3838n et seq.),
20 any funds made available from the Commodity
21 Credit Corporation to carry out the grassland
22 reserve program under that subchapter for fis-
23 cal years 2009 through 2013 shall be made
24 available to carry out contracts, agreements, or
25 easements referred to in paragraph (1) that

1 were entered into prior to the date of enactment
2 of the Agricultural Act of 2014 (including the
3 provision of technical assistance), provided that
4 no such contract, agreement, or easement is
5 modified so as to increase the amount of the
6 payment received.

7 (B) OTHER.—The Secretary may use
8 funds made available to carry out the agricul-
9 tural conservation easement program under
10 subtitle H of title XII of the Food Security Act
11 of 1985, as added by section 2301, to continue
12 to carry out contracts, agreements, and ease-
13 ments referred to in paragraph (1) using the
14 provisions of law and regulation applicable to
15 such contracts, agreements, and easements as
16 in existence on the day before the date of enact-
17 ment of the Agricultural Act of 2014.

18 **SEC. 2706. AGRICULTURAL WATER ENHANCEMENT PRO-**
19 **GRAM.**

20 (a) REPEAL.—Except as provided in subsection (b),
21 section 1240I of the Food Security Act of 1985 (16 U.S.C.
22 3839aa–9) is repealed.

23 (b) TRANSITIONAL PROVISIONS.—

24 (1) EFFECT ON EXISTING CONTRACTS AND
25 AGREEMENTS.—The amendment made by this sec-

1 tion shall not affect the validity or terms of any con-
2 tract or agreement entered into by the Secretary of
3 Agriculture under section 1240I of the Food Secu-
4 rity Act of 1985 (16 U.S.C. 3839aa–9) before the
5 date of enactment of the Agricultural Act of 2014,
6 or any payments required to be made in connection
7 with the contract or agreement.

8 (2) FUNDING.—

9 (A) USE OF PRIOR YEAR FUNDS.—Not-
10 withstanding the repeal of section 1240I of the
11 Food Security Act of 1985 (16 U.S.C. 3839aa–
12 9), any funds made available from the Com-
13 modity Credit Corporation to carry out the ag-
14 ricultural water enhancement program under
15 that section for fiscal years 2009 through 2013
16 shall be made available to carry out contracts
17 and agreements referred to in paragraph (1)
18 that were entered into prior to the date of en-
19 actment of the Agricultural Act of 2014 (in-
20 cluding the provision of technical assistance).

21 (B) OTHER.—On exhaustion of funds
22 made available under subparagraph (A), the
23 Secretary may use funds made available to
24 carry out the regional conservation partnership
25 program under subtitle I of title XII of the

1 Food Security Act of 1985, as added by section
2 2401, to continue to carry out contracts and
3 agreements referred to in paragraph (1) using
4 the provisions of law and regulation applicable
5 to such contracts and agreements as in exist-
6 ence on the day before the date of enactment of
7 the Agricultural Act of 2014.

8 **SEC. 2707. WILDLIFE HABITAT INCENTIVE PROGRAM.**

9 (a) REPEAL.—Except as provided in subsection (b),
10 section 1240N of the Food Security Act of 1985 (16
11 U.S.C. 3839bb–1) is repealed.

12 (b) TRANSITIONAL PROVISIONS.—

13 (1) EFFECT ON EXISTING CONTRACTS AND
14 AGREEMENTS.—The amendment made by this sec-
15 tion shall not affect the validity or terms of any con-
16 tract or agreement entered into by the Secretary of
17 Agriculture under section 1240N of the Food Secu-
18 rity Act of 1985 (16 U.S.C. 3839bb–1) before the
19 date of enactment of the Agricultural Act of 2014,
20 or any payments required to be made in connection
21 with the contract or agreement.

22 (2) FUNDING.—

23 (A) USE OF PRIOR YEAR FUNDS.—Not-
24 withstanding the repeal of section 1240N of the
25 Food Security Act of 1985 (16 U.S.C. 3839bb–

1 1), any funds made available from the Com-
2 modity Credit Corporation to carry out the
3 wildlife habitat incentive program under that
4 section for fiscal years 2009 through 2013 shall
5 be made available to carry out contracts or
6 agreements referred to in paragraph (1) which
7 were entered into prior to the date of enactment
8 of the Agricultural Act of 2014 (including the
9 provision of technical assistance).

10 (B) OTHER.—On exhaustion of funds
11 made available under subparagraph (A), the
12 Secretary may use funds made available to
13 carry out the environmental quality incentives
14 program under chapter 4 of subtitle D of title
15 XII of the Food Security Act of 1985 (16
16 U.S.C. 3839aa et seq.) to continue to carry out
17 contracts or agreements referred to in para-
18 graph (1) using the provisions of law and regu-
19 lation applicable to such contracts or agree-
20 ments as in existence on the day before the date
21 of enactment of the Agricultural Act of 2014.

22 **SEC. 2708. GREAT LAKES BASIN PROGRAM.**

23 Section 1240P of the Food Security Act of 1985 (16
24 U.S.C. 3839bb–3) is repealed.

1 **SEC. 2709. CHESAPEAKE BAY WATERSHED PROGRAM.**

2 (a) REPEAL.—Except as provided in subsection (b),
3 section 1240Q of the Food Security Act of 1985 (16
4 U.S.C. 3839bb–4) is repealed.

5 (b) TRANSITIONAL PROVISIONS.—

6 (1) EFFECT ON EXISTING CONTRACTS, AGREE-
7 MENTS, AND EASEMENTS.—The amendment made
8 by this section shall not affect the validity or terms
9 of any contract, agreement, or easement entered into
10 by the Secretary of Agriculture under section 1240Q
11 of the Food Security Act of 1985 (16 U.S.C.
12 3839bb–4) before the date of enactment of the Agri-
13 cultural Act of 2014, or any payments required to
14 be made in connection with the contract, agreement,
15 or easement.

16 (2) FUNDING.—

17 (A) USE OF PRIOR YEAR FUNDS.—Not-
18 withstanding the repeal of section 1240Q of the
19 Food Security Act of 1985 (16 U.S.C. 3839bb–
20 4), any funds made available from the Com-
21 modity Credit Corporation to carry out the
22 Chesapeake Bay watershed program under that
23 section for fiscal years 2009 through 2013 shall
24 be made available to carry out contracts, agree-
25 ments, and easements referred to in paragraph
26 (1) that were entered into prior to the date of

1 enactment of the Agricultural Act of 2014 (in-
2 cluding the provision of technical assistance).

3 (B) OTHER.—The Secretary may use
4 funds made available to carry out the regional
5 conservation partnership program under sub-
6 title I of title XII of the Food Security Act of
7 1985, as added by section 2401, to continue to
8 carry out contracts, agreements, and easements
9 referred to in paragraph (1) using the provi-
10 sions of law and regulation applicable to such
11 contracts, agreements, and easements as in ex-
12 istence on the day before the date of enactment
13 of the Agricultural Act of 2014.

14 **SEC. 2710. COOPERATIVE CONSERVATION PARTNERSHIP**
15 **INITIATIVE.**

16 (a) REPEAL.—Except as provided in subsection (b),
17 section 1243 of the Food Security Act of 1985 (16 U.S.C.
18 3843) is repealed.

19 (b) TRANSITIONAL PROVISIONS.—

20 (1) EFFECT ON EXISTING CONTRACTS AND
21 AGREEMENTS.—The amendment made by this sec-
22 tion shall not affect the validity or terms of any con-
23 tract or agreement entered into by the Secretary of
24 Agriculture under section 1243 of the Food Security
25 Act of 1985 (16 U.S.C. 3843) before the date of en-

1 actment of the Agricultural Act of 2014, or any pay-
2 ments required to be made in connection with the
3 contract or agreement.

4 (2) FUNDING.—

5 (A) USE OF PRIOR YEAR FUNDS.—Not-
6 withstanding the repeal of section 1243 of the
7 Food Security Act of 1985 (16 U.S.C. 3843),
8 any funds made available from the Commodity
9 Credit Corporation to carry out the cooperative
10 conservation partnership initiative under that
11 section for fiscal years 2009 through 2013 shall
12 be made available to carry out contracts and
13 agreements referred to in paragraph (1) that
14 were entered into prior to the date of enactment
15 of the Agricultural Act of 2014 (including the
16 provision of technical assistance).

17 (B) OTHER.—On exhaustion of funds
18 made available under subparagraph (A), the
19 Secretary may use funds made available to
20 carry out the regional conservation partnership
21 program under subtitle I of title XII of the
22 Food Security Act of 1985, as added by section
23 2401, to continue to carry out contracts and
24 agreements referred to in paragraph (1) using
25 the provisions of law and regulation applicable

1 to such contracts and agreements as in exist-
2 ence on the day before the date of enactment of
3 the Agricultural Act of 2014.

4 **SEC. 2711. ENVIRONMENTAL EASEMENT PROGRAM.**

5 Chapter 3 of subtitle D of title XII of the Food Secu-
6 rity Act of 1985 (16 U.S.C. 3839 et seq.) is repealed.

7 **SEC. 2712. TEMPORARY ADMINISTRATION OF CONSERVA-**
8 **TION PROGRAMS.**

9 (a) APPLICABILITY.—This section is applicable to ac-
10 tivities under—

11 (1) the wetlands reserve program, the farmland
12 protection program, and the farm viability program
13 being merged into the agricultural conservation ease-
14 ment program under the amendment made by sec-
15 tion 2301;

16 (2) the wildlife habitat incentive program being
17 merged into the environmental quality incentives
18 program under the amendments made by subtitle C;

19 (3) the agricultural water enhancement pro-
20 gram, the Chesapeake Bay watershed program, the
21 cooperative conservation partnership initiative, and
22 the Great Lakes basin program being merged into
23 the regional conservation partnership program under
24 the amendment made by section 2401; and

1 (4) the grassland reserve program being merged
2 into the conservation reserve program under the
3 amendments made by subtitle A and into the agri-
4 cultural conservation easement program under the
5 amendment made by section 2301.

6 (b) INTERIM ADMINISTRATION.—Subject to sub-
7 section (d), with respect to the implementation of the agri-
8 cultural conservation easement program under subtitle H
9 of title XII of the Food Security Act of 1985, as added
10 by section 2301, the amendments to the environmental
11 quality incentives program made by subtitle C, the re-
12 gional conservation partnership program under subtitle I
13 of title XII of the Food Security Act of 1985, as added
14 by section 2401, and the amendments to the conservation
15 reserve program made by subtitle A, the Secretary shall
16 use the regulations in existence as of the day before the
17 date of enactment of this Act that are applicable to the
18 wetlands reserve program, the grassland reserve program,
19 the farmland protection program, the farm viability pro-
20 gram, the wildlife habitat incentive program, the agricul-
21 tural water enhancement program, the Chesapeake Bay
22 watershed program, the cooperative conservation partner-
23 ship initiative, and the Great Lakes basin program re-
24 pealed by this subtitle, to the extent that the terms and
25 conditions of such regulations are consistent with—

1 (1) the provisions of the agricultural conserva-
2 tion easement program and the regional conservation
3 partnership program; and

4 (2) the amendments to the environmental qual-
5 ity incentives program and the conservation reserve
6 program made by this title.

7 (c) FUNDING.—The Secretary may only use funds
8 authorized in this title or in the amendments made by this
9 title for the specific programs listed in subsection (b), in-
10 cluding any restrictions on the use of those funds, for the
11 purposes identified in paragraphs (1) and (2) of sub-
12 section (b).

13 (d) TERMINATION OF AUTHORITY.—The authority of
14 the Secretary to carry out subsection (b) shall terminate
15 on the date that is 270 days after the date of enactment
16 of this Act.

17 (e) PERMANENT ADMINISTRATION.—Effective begin-
18 ning on the termination date described in subsection (d),
19 the Secretary shall provide technical assistance, financial
20 assistance, and easement enrollment in accordance with
21 any final regulations that the Secretary considers nec-
22 essary to carry out this title and the amendments made
23 by this title.

1 **SEC. 2713. TECHNICAL AMENDMENTS.**

2 (a) DEFINITIONS.—Section 1201(a) of the Food Se-
3 curity Act of 1985 (16 U.S.C. 3801(a)) is amended in the
4 matter preceding paragraph (1) by striking “E” and in-
5 serting “I”.

6 (b) PROGRAM INELIGIBILITY.—Section 1211(a) of
7 the Food Security Act of 1985 (16 U.S.C. 3811(a)) is
8 amended by striking “predominate” each place it appears
9 and inserting “predominant”.

10 (c) SPECIALTY CROP PRODUCERS.—Section 1242(i)
11 of the Food Security Act of 1985 (16 U.S.C. 3842(i)) is
12 amended in the header by striking “SPECIALITY” and in-
13 serting “SPECIALTY”.

14 **TITLE III—TRADE**

15 **Subtitle A—Food for Peace Act**

16 **SEC. 3001. GENERAL AUTHORITY.**

17 Section 201 of the Food for Peace Act (7 U.S.C.
18 1721) is amended—

19 (1) in the matter preceding paragraph (1), by
20 inserting “(to be implemented by the Adminis-
21 trator)” after “under this title”; and

22 (2) by striking paragraph (7) and the second
23 sentence and inserting the following new paragraph:

24 “(7) build resilience to mitigate and prevent
25 food crises and reduce the future need for emer-
26 gency aid.”.

1 **SEC. 3002. SET-ASIDE FOR SUPPORT FOR ORGANIZATIONS**
2 **THROUGH WHICH NONEMERGENCY ASSIST-**
3 **ANCE IS PROVIDED.**

4 Section 202(e) of the Food for Peace Act (7 U.S.C.
5 1722(e)) is amended—

6 (1) in paragraph (1)—

7 (A) in the matter preceding subparagraph
8 (A), by striking “13 percent” and inserting “20
9 percent”;

10 (B) in subparagraph (A), by striking
11 “new” and inserting “and enhancing”;

12 (C) by striking subparagraph (B);

13 (D) by redesignating subparagraph (C) as
14 subparagraph (D); and

15 (E) by inserting after subparagraph (A)
16 the following new subparagraphs:

17 “(B) meeting specific administrative, man-
18 agement, personnel, transportation, storage,
19 and distribution costs for carrying out pro-
20 grams in foreign countries under this title;

21 “(C) implementing income-generating,
22 community development, health, nutrition, coop-
23 erative development, agricultural, and other de-
24 velopmental activities within 1 or more recipient
25 countries or within 1 or more countries in the
26 same region; and”;

1 (2) by adding at the end the following new
2 paragraph:

3 “(4) INVESTMENT AUTHORITY.—An eligible or-
4 ganization that receives funds made available under
5 paragraph (1) may invest the funds pending the eli-
6 gible organization’s use of the funds. Any interest
7 earned on such investment may be used for the pur-
8 poses for which the assistance was provided to the
9 eligible organization without further appropriation
10 by Congress.”.

11 **SEC. 3003. FOOD AID QUALITY.**

12 Section 202(h) of the Food for Peace Act (7 U.S.C.
13 1722(h)) is amended—

14 (1) by striking paragraph (1) and inserting the
15 following new paragraph:

16 “(1) IN GENERAL.—The Administrator shall
17 use funds made available for fiscal year 2014 and
18 subsequent fiscal years to carry out this title—

19 “(A) to assess the types and quality of ag-
20 ricultural commodities and products donated for
21 food aid;

22 “(B) to adjust products and formulations,
23 including potential introduction of new
24 fortificants and products, as necessary to cost-

1 effectively meet nutrient needs of target popu-
2 lations;

3 “(C) to test prototypes;

4 “(D) to adopt new specifications or im-
5 prove existing specifications for micronutrient
6 fortified food aid products, based on the latest
7 developments in food and nutrition science, and
8 in coordination with other international part-
9 ners;

10 “(E) to develop new program guidance to
11 facilitate improved matching of products to pur-
12 poses having nutritional intent, in coordination
13 with other international partners;

14 “(F) to develop improved guidance for im-
15 plementing partners on how to address nutri-
16 tional deficiencies that emerge among recipients
17 for whom food assistance is the sole source of
18 diet in emergency programs that extend beyond
19 1 year, in coordination with other international
20 partners; and

21 “(G) to evaluate, in appropriate settings
22 and as necessary, the performance and cost-ef-
23 fectiveness of new or modified specialized food
24 products and program approaches designed to
25 meet the nutritional needs of the most vulner-

1 able groups, such as pregnant and lactating
2 mothers, and children under the age of 5.”; and
3 (2) in paragraph (3), by striking “fiscal years
4 2009 through 2011” and inserting “fiscal years
5 2014 through 2018”.

6 **SEC. 3004. MINIMUM LEVELS OF ASSISTANCE.**

7 Section 204(a) of the Food for Peace Act (7 U.S.C.
8 1724(a)) is amended—

9 (1) in paragraph (1), by striking “2012” and
10 inserting “2018”; and

11 (2) in paragraph (2), by striking “2012” and
12 inserting “2018”.

13 **SEC. 3005. FOOD AID CONSULTATIVE GROUP.**

14 (a) MEMBERSHIP.—Section 205(b) of the Food for
15 Peace Act (7 U.S.C. 1725(b)) is amended—

16 (1) by striking “and” at the end of paragraph
17 (6);

18 (2) by redesignating paragraph (7) as para-
19 graph (8); and

20 (3) by inserting after paragraph (6) the fol-
21 lowing new paragraph:

22 “(7) representatives from the United States ag-
23 ricultural processing sector involved in providing ag-
24 ricultural commodities for programs under this Act;
25 and”.

1 (b) CONSULTATION.—Section 205(d) of the Food for
2 Peace Act (7 U.S.C. 1725(d)) is amended—

3 (1) by striking the first sentence and inserting
4 the following:

5 “(1) CONSULTATION IN ADVANCE OF ISSUANCE
6 OF IMPLEMENTATION REGULATIONS, HANDBOOKS,
7 AND GUIDELINES.—Not later than 45 days before a
8 proposed regulation, handbook, or guideline imple-
9 menting this title, or a proposed significant revision
10 to a regulation, handbook, or guideline implementing
11 this title, becomes final, the Administrator shall pro-
12 vide the proposal to the Group for review and com-
13 ment.”; and

14 (2) by adding at the end the following new
15 paragraph:

16 “(2) CONSULTATION REGARDING FOOD AID
17 QUALITY EFFORTS.—The Administrator shall seek
18 input from and consult with the Group on the imple-
19 mentation of section 202(h).”.

20 (c) REAUTHORIZATION.—Section 205(f) of the Food
21 for Peace Act (7 U.S.C. 1725(f)) is amended by striking
22 “2012” and inserting “2018”.

1 **SEC. 3006. OVERSIGHT, MONITORING, AND EVALUATION.**

2 (a) REGULATIONS AND GUIDANCE.—Section 207(c)
3 of the Food for Peace Act (7 U.S.C. 1726a(c)) is amend-
4 ed—

5 (1) in the subsection heading, by inserting
6 “AND GUIDANCE” after “REGULATIONS”;

7 (2) in paragraph (1), by adding at the end the
8 following new sentence: “Not later than 270 days
9 after the date of the enactment of the Agricultural
10 Act of 2014, the Administrator shall issue all regula-
11 tions and revisions to agency guidance necessary to
12 implement the amendments made to this title by
13 such Act.”; and

14 (3) in paragraph (2), by inserting “and guid-
15 ance” after “develop regulations”.

16 (b) FUNDING.—Section 207(f) of the Food for Peace
17 Act (7 U.S.C. 1726a(f)) is amended—

18 (1) in paragraph (2)(F), by striking “up-
19 graded” and inserting “maintenance of”;

20 (2) by striking paragraphs (3) and (4); and

21 (3) by redesignating paragraphs (5) and (6) as
22 paragraphs (3) and (4), respectively; and

23 (4) in paragraph (4) (as so redesignated)—

24 (A) in subparagraph (A), by striking
25 “\$22,000,000” and all that follows through the
26 period at the end and inserting “\$17,000,000

1 of the funds made available under this title for
2 each of fiscal years 2014 through 2018, except
3 for paragraph (2)(F), for which not more than
4 \$500,000 shall be made available for each of
5 the fiscal years 2014 through 2018.”; and

6 (B) in subparagraph (B)(i), by striking
7 “2012” and inserting “2018”.

8 (c) IMPLEMENTATION REPORTS.—Not later than 270
9 days after the date of the enactment of this Act, the Ad-
10 ministrator of the Agency for International Development
11 shall submit to the Committee on Agriculture, Nutrition,
12 and Forestry of the Senate and the Committees on Agri-
13 culture and Foreign Affairs of the House of Representa-
14 tives a report describing—

15 (1) the implementation of section 207(c) of the
16 Food for Peace Act (7 U.S.C. 1726a(c));

17 (2) the surveys, studies, monitoring, reporting,
18 and audit requirements for programs conducted
19 under title II of such Act (7 U.S.C. 1721 et seq.)
20 by an eligible organization that is a nongovern-
21 mental organization (as such term is defined in sec-
22 tion 402 of such Act (7 U.S.C. 1732)); and

23 (3) the surveys, studies, monitoring, reporting,
24 and audit requirements for such programs by an eli-
25 gible organization that is an intergovernmental orga-

1 nization, such as the World Food Program or other
2 multilateral organization.

3 **SEC. 3007. ASSISTANCE FOR STOCKPILING AND RAPID**
4 **TRANSPORTATION, DELIVERY, AND DIS-**
5 **TRIBUTION OF SHELF-STABLE PRE-**
6 **PACKAGED FOODS.**

7 Section 208(f) of the Food for Peace Act (7 U.S.C.
8 1726b(f)) is amended by striking “\$8,000,000 for each
9 of fiscal years 2001 through 2012” and inserting
10 “\$10,000,000 for each of fiscal years 2014 through
11 2018”.

12 **SEC. 3008. IMPACT ON LOCAL FARMERS AND ECONOMY**
13 **AND REPORT ON USE OF FUNDS.**

14 (a) **IMPACT ON LOCAL FARMERS AND ECONOMY.**—
15 Section 403(b) of the Food for Peace Act (7 U.S.C.
16 1733(b)) is amended by adding at the end the following
17 new sentence: “The Secretary or the Administrator, as ap-
18 propriate, shall seek information, as part of the regular
19 proposal and submission process, from implementing
20 agencies on the potential costs and benefits to the local
21 economy of sales of agricultural commodities within the
22 recipient country.”.

23 (b) **REPORT ON USE OF FUNDS.**—Section 403 of the
24 Food for Peace Act (7 U.S.C. 1733) is amended by adding
25 at the end the following new subsection:

1 “(m) REPORT ON USE OF FUNDS.—

2 “(1) REPORT REQUIRED.—Not later than 180
3 days after the date of the enactment of the Agricul-
4 tural Act of 2014, and annually thereafter, the Ad-
5 ministrator shall submit to Congress a report that—

6 “(A) specifies the amount of funds (includ-
7 ing funds for administrative costs, indirect cost
8 recovery, internal transportation, storage, and
9 handling, and associated distribution costs) pro-
10 vided to each eligible organization that received
11 assistance under this Act in the previous fiscal
12 year;

13 “(B) describes how those funds were used
14 by the eligible organization;

15 “(C) describes the actual rate of return for
16 each commodity made available under this Act,
17 including—

18 “(i) factors that influenced the rate of
19 return; and

20 “(ii) for the commodity, the costs of
21 bagging or further processing, ocean trans-
22 portation, inland transportation in the re-
23 cipient country, storage costs, and any
24 other information that the Administrator
25 determines to be necessary; and

1 “(D) for each instance in which a com-
2 modity was made available under this Act at a
3 rate of return less than 70 percent, describes
4 the reasons for the rate of return realized.

5 “(2) RATE OF RETURN DESCRIBED.—For pur-
6 poses of applying paragraph (1)(C), the rate of re-
7 turn for a commodity shall be equal to the propor-
8 tion that—

9 “(A) the proceeds the implementing part-
10 ners generate through monetization; bears to

11 “(B) the cost to the Federal Government
12 to procure and ship the commodity to a recipi-
13 ent country for monetization.”.

14 **SEC. 3009. PREPOSITIONING OF AGRICULTURAL COMMOD-**
15 **ITIES.**

16 Section 407(c)(4) of the Food for Peace Act (7
17 U.S.C. 1736a(c)(4)) is amended—

18 (1) in subparagraph (A)—

19 (A) by striking “2012” and inserting
20 “2018”; and

21 (B) by striking “for each such fiscal year
22 not more than \$10,000,000 of such funds” and
23 inserting “for each of fiscal years 2001 through
24 2013 not more than \$10,000,000 of such funds

1 and for each of fiscal years 2014 through 2018
2 not more than \$15,000,000 of such funds”; and
3 (2) by striking subparagraph (B) and inserting
4 the following new subparagraph:

5 “(B) ADDITIONAL PREPOSITIONING
6 SITES.—The Administrator may establish addi-
7 tional sites for prepositioning in foreign coun-
8 tries or change the location of current sites for
9 prepositioning in foreign countries after con-
10 ducting, and based on the results of, assess-
11 ments of need, the availability of appropriate
12 technology for long-term storage, feasibility,
13 and cost.”.

14 **SEC. 3010. ANNUAL REPORT REGARDING FOOD AID PRO-**
15 **GRAMS AND ACTIVITIES.**

16 Section 407(f)(1) of the Food for Peace Act (7
17 U.S.C. 1736a(f)(1)) is amended—

18 (1) in the paragraph heading, by striking “AG-
19 RICULTURAL TRADE” and inserting “FOOD AID”;

20 (2) in subparagraph (B)(ii), by inserting before
21 the semicolon at the end the following: “and the
22 total number of beneficiaries of the project and the
23 activities carried out through such project”; and

24 (3) in subparagraph (B)(iii)—

1 (A) in the matter preceding subclause (I),
2 by inserting “, and the total number of bene-
3 ficiaries in,” after “commodities made available
4 to”;

5 (B) by striking “and” at the end of sub-
6 clause (I);

7 (C) by inserting “and” at the end of sub-
8 clause (II); and

9 (D) by inserting after subclause (II) the
10 following new subclause:

11 “(III) the McGovern-Dole Inter-
12 national Food for Education and
13 Child Nutrition Program established
14 by section 3107 of the Farm Security
15 and Rural Investment Act of 2002 (7
16 U.S.C. 1736o–1);”.

17 **SEC. 3011. DEADLINE FOR AGREEMENTS TO FINANCE**
18 **SALES OR TO PROVIDE OTHER ASSISTANCE.**

19 Section 408 of the Food for Peace Act (7 U.S.C.
20 1736b) is amended by striking “2012” and inserting
21 “2018”.

22 **SEC. 3012. MINIMUM LEVEL OF NONEMERGENCY FOOD AS-**
23 **SISTANCE.**

24 Subsection (e) of section 412 of the Food for Peace
25 Act (7 U.S.C. 1736f) is amended to read as follows:

1 “(e) MINIMUM LEVEL OF NONEMERGENCY FOOD AS-
2 SISTANCE.—

3 “(1) IN GENERAL.—Subject to paragraph (2),
4 of the amounts made available to carry out emer-
5 gency and nonemergency food assistance programs
6 under title II, not less than 20 nor more than 30
7 percent for each of fiscal years 2014 through 2018
8 shall be expended for nonemergency food assistance
9 programs under title II.

10 “(2) MINIMUM LEVEL.—The amount made
11 available to carry out nonemergency food assistance
12 programs under title II shall not be less than
13 \$350,000,000 for any fiscal year.”.

14 **SEC. 3013. MICRONUTRIENT FORTIFICATION PROGRAMS.**

15 (a) ELIMINATION OF OBSOLETE REFERENCE TO
16 STUDY.—Section 415(a)(2)(B) of the Food for Peace Act
17 (7 U.S.C. 1736g–2(a)(2)(B)) is amended by striking “,
18 using recommendations” and all that follows through
19 “quality enhancements”.

20 (b) EXTENSION.—Section 415(c) of the Food for
21 Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking
22 “2012” and inserting “2018”.

1 **SEC. 3014. JOHN OGONOWSKI AND DOUG BEREUTER FARM-**
2 **ER-TO-FARMER PROGRAM.**

3 (a) FUNDING AND REAUTHORIZATION OF PRO-
4 GRAM.—Section 501 of the Food for Peace Act (7 U.S.C.
5 1737) is amended—

6 (1) in subsection (d), in the matter preceding
7 paragraph (1), by striking “2012” and inserting
8 “2013, and not less than the greater of \$15,000,000
9 or 0.6 percent of the amounts made available for
10 each of fiscal years 2014 through 2018,”; and

11 (2) in subsection (e)(1), by striking “2012” and
12 inserting “2018”.

13 (b) COMPTROLLER GENERAL REPORT.—Not later
14 than 270 days after the date of enactment of this Act,
15 the Comptroller General of the United States shall submit
16 to Congress a report that contains—

17 (1) a review of the John Ogonowski and Doug
18 Bereuter Farmer-to-Farmer Program authorized by
19 section 501 of the Food for Peace Act (7 U.S.C.
20 1737); and

21 (2) recommendations relating to actions that
22 the Comptroller General determines to be necessary
23 to improve the monitoring and evaluation of assist-
24 ance provided under such program.

1 **SEC. 3015. COORDINATION OF FOREIGN ASSISTANCE PRO-**
2 **GRAMS REPORT.**

3 Section 413 of the Food for Peace Act (7 U.S.C.
4 1736g) is amended—

5 (1) by striking “(a) IN GENERAL.—To the
6 maximum” and inserting “To the maximum”; and

7 (2) by striking subsection (b).

8 **Subtitle B—Agricultural Trade Act**
9 **of 1978**

10 **SEC. 3101. EXPORT CREDIT GUARANTEE PROGRAM.**

11 (a) **SHORT-TERM CREDIT GUARANTEES.**—Section
12 202 of the Agricultural Trade Act of 1978 (7 U.S.C.
13 5622) is amended—

14 (1) in subsection (a), by striking “3-year” and
15 inserting “24-month”;

16 (2) in subsection (d), by striking “country” and
17 inserting “obligor”;

18 (3) by striking subsection (i);

19 (4) by redesignating subsections (j) and (k) as
20 subsections (i) and (j), respectfully; and

21 (5) in subsection (j)(2) (as so redesignated)—

22 (A) by striking subparagraphs (A) and
23 (B);

24 (B) by redesignating subparagraphs (C)
25 through (E) as subparagraphs (A) through (C),
26 respectfully;

1 (C) in subparagraph (B) (as so redesign-
2 nated), by striking “and” at the end;

3 (D) in subparagraph (C) (as so redesign-
4 nated)—

5 (i) by striking “, but do not exceed,”;

6 and

7 (ii) by striking the period at the end

8 and inserting “; and”; and

9 (E) by adding at the end the following new
10 subparagraph:

11 “(D) notwithstanding any other provision
12 of this section, administer and carry out (only
13 after consulting with the Committee on Agri-
14 culture of the House of Representatives and the
15 Committee on Agriculture, Nutrition and For-
16 estry of the Senate) the program pursuant to
17 such terms as may be agreed between the par-
18 ties to address the World Trade Organization
19 dispute WTO/DS267 to the extent not super-
20 seded by any applicable international under-
21 takings on officially supported export credits to
22 which the United States is a party.”.

23 (b) FUNDING.—Subsection (b) of section 211 of the
24 Agricultural Trade Act of 1978 (7 U.S.C. 5641) is amend-
25 ed to read as follows:

1 “(b) EXPORT CREDIT GUARANTEE PROGRAM.—The
2 Commodity Credit Corporation shall make available for
3 each fiscal year \$5,500,000,000 of credit guarantees
4 under section 202(a).”.

5 **SEC. 3102. FUNDING FOR MARKET ACCESS PROGRAM.**

6 Section 211(c)(1)(A) of the Agricultural Trade Act
7 of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking
8 “2012” and inserting “2018”.

9 **SEC. 3103. FOREIGN MARKET DEVELOPMENT COOPERATOR**
10 **PROGRAM.**

11 Section 703(a) of the Agricultural Trade Act of 1978
12 (7 U.S.C. 5723(a)) is amended by striking “2012” and
13 inserting “2018”.

14 **Subtitle C—Other Agricultural**
15 **Trade Laws**

16 **SEC. 3201. FOOD FOR PROGRESS ACT OF 1985.**

17 (a) EXTENSION.—The Food for Progress Act of 1985
18 (7 U.S.C. 1736o) is amended—

19 (1) in subsection (f)(3), by striking “2012” and
20 inserting “2018”;

21 (2) in subsection (g), by striking “2012” and
22 inserting “2018”;

23 (3) in subsection (k), by striking “2012” and
24 inserting “2018”; and

1 (4) in subsection (l)(1), by striking “2012” and
2 inserting “2018”.

3 (b) REPEAL OF COMPLETED PROJECT.—Subsection
4 (f) of the Food for Progress Act of 1985 (7 U.S.C. 1736o)
5 is amended by striking paragraph (6).

6 **SEC. 3202. BILL EMERSON HUMANITARIAN TRUST ACT.**

7 Section 302 of the Bill Emerson Humanitarian Trust
8 Act (7 U.S.C. 1736f–1) is amended—

9 (1) in subsection (b)(2)(B)(i), by striking
10 “2012” both places it appears and inserting “2018”;
11 and

12 (2) in subsection (h), by striking “2012” both
13 places it appears and inserting “2018”.

14 **SEC. 3203. PROMOTION OF AGRICULTURAL EXPORTS TO**
15 **EMERGING MARKETS.**

16 (a) DIRECT CREDITS OR EXPORT CREDIT GUARAN-
17 TEES.—Section 1542(a) of the Food, Agriculture, Con-
18 servation, and Trade Act of 1990 (Public Law 101–624;
19 7 U.S.C. 5622 note) is amended by striking “2012” and
20 inserting “2018”.

21 (b) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—
22 Section 1542(d)(1)(A)(i) of the Food, Agriculture, Con-
23 servation, and Trade Act of 1990 (Public Law 101–624;
24 7 U.S.C. 5622 note) is amended by striking “2012” and
25 inserting “2018”.

1 **SEC. 3204. MCGOVERN-DOLE INTERNATIONAL FOOD FOR**
2 **EDUCATION AND CHILD NUTRITION PRO-**
3 **GRAM.**

4 (a) REAUTHORIZATION.—Section 3107(l)(2) of the
5 Farm Security and Rural Investment Act of 2002 (7
6 U.S.C. 1736o–1(l)(2)) is amended by striking “2012” and
7 inserting “2018”.

8 (b) TECHNICAL CORRECTION.—Section 3107(d) of
9 the Farm Security and Rural Investment Act of 2002 (7
10 U.S.C. 1736o–1(d)) is amended by striking “to” in the
11 matter preceding paragraph (1).

12 **SEC. 3205. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.**

13 (a) PURPOSE.—Section 3205(b) of the Farm Secu-
14 rity and Rural Investment Act of 2002 (7 U.S.C. 5680(b))
15 is amended by striking “related barriers to trade” and in-
16 serting “technical barriers to trade”.

17 (b) FUNDING.—Section 3205(e)(2) of the Farm Se-
18 curity and Rural Investment Act of 2002 (7 U.S.C.
19 5680(e)(2)) is amended—

20 (1) by inserting “and” at the end of subpara-
21 graph (C); and

22 (2) by striking subparagraphs (D) and (E) and
23 inserting the following new subparagraph:

24 “(D) \$9,000,000 for each of fiscal years
25 2011 through 2018.”.

1 (c) U.S. ATLANTIC SPINY DOGFISH STUDY.—Not
2 later than 90 days after the date of the enactment of this
3 Act, the Secretary shall conduct an economic study on the
4 existing market in the United States for U.S. Atlantic
5 Spiny Dogfish.

6 **SEC. 3206. GLOBAL CROP DIVERSITY TRUST.**

7 Section 3202(c) of the Food, Conservation, and En-
8 ergy Act of 2008 (Public Law 110–246; 22 U.S.C. 2220a
9 note) is amended by striking “2008 through 2012” and
10 inserting “2014 through 2018”.

11 **SEC. 3207. LOCAL AND REGIONAL FOOD AID PROCURE-**
12 **MENT PROJECTS.**

13 Section 3206 of the Food, Conservation, and Energy
14 Act of 2008 (7 U.S.C. 1726c) is amended—

15 (1) in subsection (b)—

16 (A) by striking “(b) STUDY; FIELD-BASED
17 PROJECTS.—” and all that follows through “(2)
18 FIELD-BASED PROJECTS.—” and inserting the
19 following:

20 “(b) FIELD-BASED PROJECTS.—”;

21 (B) by redesignating subparagraphs (A)
22 and (B) as paragraphs (1) and (2), respectively,
23 and indenting appropriately;

1 (C) in paragraph (1) (as so redesignated),
2 by striking “subparagraph (B)” and inserting
3 “paragraph (2)”; and

4 (D) in paragraph (2) (as so redesignated),
5 by striking “subparagraph (A)” and inserting
6 “paragraph (1)”;

7 (2) in subsection (c)(1), by striking “subsection
8 (b)(2)” and inserting “subsection (b)”;

9 (3) by striking subsections (d), (f), and (g);

10 (4) by redesignating subsection (e) as sub-
11 section (d);

12 (5) in subsection (d) (as so redesignated)—

13 (A) in paragraph (2)—

14 (i) by striking subparagraph (B); and

15 (ii) in subparagraph (A)—

16 (I) by striking “(A) APPLICA-
17 TION.—” and all that follows through
18 “To be eligible” in clause (i) and in-
19 serting the following:

20 “(A) IN GENERAL.—To be eligible”;

21 (II) by redesignating clause (ii)
22 as subparagraph (B) and indenting
23 appropriately; and

24 (III) in subparagraph (B) (as so
25 redesignated), by striking “clause (i)”

1 and inserting “subparagraph (A)”;

2 and

3 (B) by striking paragraph (4); and

4 (6) by adding at the end the following new sub-
5 section:

6 “(e) FUNDING.—

7 “(1) AUTHORIZATION OF APPROPRIATIONS.—

8 There is authorized to be appropriated to carry out
9 this section \$80,000,000 for each of fiscal years
10 2014 through 2018.

11 “(2) PREFERENCE.—In carrying out this sec-
12 tion, the Secretary may give a preference to eligible
13 organizations that have, or are working toward,
14 projects under the McGovern-Dole International
15 Food for Education and Child Nutrition Program
16 established under section 3107 of the Farm Security
17 and Rural Investment Act of 2002 (7 U.S.C. 1736o–
18 1).

19 “(3) REPORTING.—Each year, the Secretary
20 shall submit to the appropriate committees of Con-
21 gress a report that describes the use of funds under
22 this section, including—

23 “(A) the impact of procurements and
24 projects on—

1 “(i) local and regional agricultural
2 producers; and
3 “(ii) markets and consumers, includ-
4 ing low-income consumers; and
5 “(B) implementation time frames and
6 costs.”.

7 **SEC. 3208. UNDER SECRETARY OF AGRICULTURE FOR**
8 **TRADE AND FOREIGN AGRICULTURAL AF-**
9 **FAIRS.**

10 (a) DEFINITION OF AGRICULTURE COMMITTEES AND
11 SUBCOMMITTEES.—In this section, the term “agriculture
12 committees and subcommittees” means—

13 (1) the Committee on Agriculture of the House
14 of Representatives;

15 (2) the Committee on Agriculture, Nutrition,
16 and Forestry of the Senate; and

17 (3) the subcommittees on agriculture, rural de-
18 velopment, food and drug administration, and re-
19 lated agencies of the Committees on Appropriations
20 of the House of Representatives and the Senate.

21 (b) PROPOSAL.—

22 (1) IN GENERAL.—The Secretary, in consulta-
23 tion with the agriculture committees and subcommit-
24 tees, shall propose a reorganization of international

1 trade functions for imports and exports of the De-
2 partment of Agriculture.

3 (2) CONSIDERATIONS.—In producing the pro-
4 posal under this section, the Secretary shall—

5 (A) in recognition of the importance of ag-
6 ricultural exports to the farm economy and the
7 economy as a whole, include a plan for the es-
8 tablishment of an Under Secretary of Agri-
9 culture for Trade and Foreign Agricultural Af-
10 fairs;

11 (B) take into consideration how the Under
12 Secretary described in subparagraph (A) would
13 serve as a multiagency coordinator of sanitary
14 and phytosanitary issues and nontariff trade
15 barriers in agriculture with respect to imports
16 and exports of agricultural products; and

17 (C) take into consideration all implications
18 of a reorganization described in paragraph (1)
19 on domestic programs and operations of the
20 Department of Agriculture.

21 (3) REPORT.—Not later than 180 days after
22 the date of enactment of this Act and before the re-
23 organization described in paragraph (1) can take ef-
24 fect, the Secretary shall submit to the agriculture
25 committees and subcommittees a report that—

1 (A) includes the results of the proposal
2 under this section; and

3 (B) provides a notice of the reorganization
4 plan.

5 (4) IMPLEMENTATION.—Not later than 1 year
6 after the date of the submission of the report under
7 paragraph (3), the Secretary shall implement a reor-
8 ganization of international trade functions for im-
9 ports and exports of the Department of Agriculture,
10 including the establishment of an Under Secretary
11 of Agriculture for Trade and Foreign Agricultural
12 Affairs.

13 (c) CONFIRMATION REQUIRED.—The position of
14 Under Secretary of Agriculture for Trade and Foreign Ag-
15 ricultural Affairs established under subsection (b)(2)(A)
16 shall be appointed by the President, by and with the advice
17 and consent of the Senate.

1 **TITLE IV—NUTRITION**
2 **Subtitle A—Supplemental**
3 **Nutrition Assistance Program**

4 **SEC. 4001. PREVENTING PAYMENT OF CASH TO RECIPIENTS**
5 **OF SUPPLEMENTAL NUTRITION ASSISTANCE**
6 **BENEFITS FOR THE RETURN OF EMPTY BOT-**
7 **TLES AND CANS USED TO CONTAIN FOOD**
8 **PURCHASED WITH BENEFITS PROVIDED**
9 **UNDER THE PROGRAM.**

10 Section 3(k)(1) of the Food and Nutrition Act of
11 2008 (7 U.S.C. 2012(k)(1)) is amended—

12 (1) by striking “and hot foods” and inserting
13 “hot foods”; and

14 (2) by adding at the end the following: “and
15 any deposit fee in excess of the amount of the State
16 fee reimbursement (if any) required to purchase any
17 food or food product contained in a returnable bottle
18 or can, regardless of whether the fee is included in
19 the shelf price posted for the food or food product,”.

20 **SEC. 4002. RETAIL FOOD STORES.**

21 (a) **DEFINITION OF RETAIL FOOD STORE.**—Section
22 3(p)(1)(A) of the Food and Nutrition Act of 2008 (7
23 U.S.C. 2012(p)(1)(A)) is amended—

24 (1) by inserting “at least 7” after “a variety
25 of”; and

1 (2) by striking “at least 2” and inserting “at
2 least 3”.

3 (b) ALTERNATIVE BENEFIT DELIVERY.—Section
4 7(f) of the Food and Nutrition Act of 2008 (7 U.S.C.
5 2016(f)) is amended—

6 (1) by striking paragraph (2) and inserting the
7 following:

8 “(2) IMPOSITION OF COSTS.—

9 “(A) IN GENERAL.—Except as provided in
10 subparagraph (B), the Secretary shall require
11 participating retail food stores (including res-
12 taurants participating in a State option res-
13 taurant program intended to serve the elderly,
14 disabled, and homeless) to pay 100 percent of
15 the costs of acquiring, and arrange for the im-
16 plementation of, electronic benefit transfer
17 point-of-sale equipment and supplies, including
18 related services.

19 “(B) EXEMPTIONS.—The Secretary may
20 exempt from subparagraph (A)—

21 “(i) farmers’ markets and other di-
22 rect-to-consumer markets, military com-
23 missaries, nonprofit food buying coopera-
24 tives, and establishments, organizations,
25 programs, or group living arrangements

1 described in paragraphs (5), (7), and (8)
2 of section 3(k); and

3 “(ii) establishments described in para-
4 graphs (3), (4), and (9) of section 3(k),
5 other than restaurants participating in a
6 State option restaurant program.

7 “(C) INTERCHANGE FEES.—Nothing in
8 this paragraph permits the charging of fees re-
9 lating to the redemption of supplemental nutri-
10 tion assistance program benefits, in accordance
11 with subsection (h)(13).”; and

12 (2) by adding at the end the following:

13 “(4) TERMINATION OF MANUAL VOUCHERS.—

14 “(A) IN GENERAL.—Effective beginning on
15 the date of enactment of this paragraph, except
16 as provided in subparagraph (B), no State shall
17 issue manual vouchers to a household that re-
18 ceives supplemental nutrition assistance under
19 this Act or allow retail food stores to accept
20 manual vouchers as payment, unless the Sec-
21 retary determines that the manual vouchers are
22 necessary, such as in the event of an electronic
23 benefit transfer system failure or a disaster sit-
24 uation.

1 “(B) EXEMPTIONS.—The Secretary may
2 exempt categories of retail food stores or indi-
3 vidual retail food stores from subparagraph (A)
4 based on criteria established by the Secretary.

5 “(5) UNIQUE IDENTIFICATION NUMBER RE-
6 QUIRED.—

7 “(A) IN GENERAL.—To enhance the anti-
8 fraud protections of the program, the Secretary
9 shall require all parties providing electronic
10 benefit transfer services to provide for and
11 maintain unique terminal identification number
12 information through the supplemental nutrition
13 assistance program electronic benefit transfer
14 transaction routing system.

15 “(B) REGULATIONS.—

16 “(i) IN GENERAL.—Not earlier than 2
17 years after the date of enactment of this
18 paragraph, the Secretary shall issue pro-
19 posed regulations to carry out this para-
20 graph.

21 “(ii) COMMERCIAL PRACTICES.—In
22 issuing regulations to carry out this para-
23 graph, the Secretary shall consider existing
24 commercial practices for other point-of-sale
25 debit transactions.”.

1 (c) ELECTRONIC BENEFIT TRANSFER

2 AUDITABILITY.—Section 7(h)(2)(C) of the Food and Nu-
3 trition Act of 2008 (7 U.S.C. 2016(h)(2)(C)) is amended
4 by striking clause (ii) and inserting the following:

5 “(ii) unless determined by the Sec-
6 retary to be located in an area with signifi-
7 cantly limited access to food, measures
8 that require an electronic benefit transfer
9 system—

10 “(I) to set and enforce sales re-
11 strictions based on benefit transfer
12 payment eligibility by using scanning
13 or product lookup entry; and

14 “(II) to deny benefit tenders for
15 manually entered sales of ineligible
16 items.”.

17 (d) ELECTRONIC BENEFIT TRANSFERS.—Section
18 7(h)(3)(B) of the Food and Nutrition Act of 2008 (7
19 U.S.C. 2016(h)(3)(B)) is amended by striking “is oper-
20 ational—” and all that follows through “(ii) in the case
21 of other participating stores,” and inserting “is oper-
22 ational”.

23 (e) APPROVAL OF RETAIL FOOD STORES AND
24 WHOLESALE FOOD CONCERNS.—Section 9 of the Food
25 and Nutrition Act of 2008 (7 U.S.C. 2018) is amended—

1 (1) in subsection (a)(1), in the second sentence,
2 by striking “; and (C)” and inserting “; (C) whether
3 the applicant is located in an area with significantly
4 limited access to food; and (D)”;

5 (2) in subsection (c), in the first sentence, by
6 inserting “purchase invoices, or program-related
7 records,” after “relevant income and sales tax filing
8 documents,”; and

9 (3) by adding at the end the following:

10 “(g) EBT SERVICE REQUIREMENT.—An approved
11 retail food store shall provide adequate EBT service as
12 described in section 7(h)(3)(B).”.

13 **SEC. 4003. ENHANCING SERVICES TO ELDERLY AND DIS-**
14 **ABLED SUPPLEMENTAL NUTRITION ASSIST-**
15 **ANCE PROGRAM PARTICIPANTS.**

16 (a) ENHANCING SERVICES TO ELDERLY AND DIS-
17 ABLED PROGRAM PARTICIPANTS.—Section 3(p) of the
18 Food and Nutrition Act of 2008 (7 U.S.C. 2012(p)) is
19 amended—

20 (1) in paragraph (3), by striking “and” at the
21 end;

22 (2) in paragraph (4), by striking the period at
23 the end and inserting “; and”; and

24 (3) by inserting after paragraph (4) the fol-
25 lowing:

1 “(5) a governmental or private nonprofit food
2 purchasing and delivery service that—

3 “(A) purchases food for, and delivers the
4 food to, individuals who are—

5 “(i) unable to shop for food; and

6 “(ii)(I) not less than 60 years of age;

7 or

8 “(II) physically or mentally handi-
9 capped or otherwise disabled;

10 “(B) clearly notifies the participating
11 household at the time the household places a
12 food order—

13 “(i) of any delivery fee associated with
14 the food purchase and delivery provided to
15 the household by the service; and

16 “(ii) that a delivery fee cannot be paid
17 with benefits provided under supplemental
18 nutrition assistance program; and

19 “(C) sells food purchased for the household
20 at the price paid by the service for the food and
21 without any additional cost markup.”.

22 (b) IMPLEMENTATION.—

23 (1) ISSUANCE OF RULES.—The Secretary shall
24 issue regulations that—

1 (A) establish criteria to identify a food
2 purchasing and delivery service referred to in
3 section 3(p)(5) of the Food and Nutrition Act
4 of 2008 (7 U.S.C. 2012(p)(5)); and

5 (B) establish procedures to ensure that the
6 service—

7 (i) does not charge more for a food
8 item than the price paid by the service for
9 the food item;

10 (ii) offers food delivery service at no
11 or low cost to households under that Act;

12 (iii) ensures that benefits provided
13 under the supplemental nutrition assist-
14 ance program are used only to purchase
15 food (as defined in section 3 of that Act (7
16 U.S.C. 2012));

17 (iv) limits the purchase of food, and
18 the delivery of the food, to households eli-
19 gible to receive services described in section
20 3(p)(5) of that Act (7 U.S.C. 2012(p)(5));

21 (v) has established adequate safe-
22 guards against fraudulent activities, in-
23 cluding unauthorized use of electronic ben-
24 efit cards issued under that Act; and

1 (vi) meets such other requirements as
2 the Secretary determines to be appropriate.

3 (2) LIMITATION.—Before the issuance of rules
4 under paragraph (1), the Secretary may not approve
5 more than 20 food purchasing and delivery services
6 referred to in section 3(p)(5) of the Food and Nutri-
7 tion Act of 2008 (7 U.S.C. 2012(p)(5)) to partici-
8 pate as retail food stores under the supplemental nu-
9 trition assistance program.

10 **SEC. 4004. FOOD DISTRIBUTION PROGRAM ON INDIAN RES-**
11 **ERVATIONS.**

12 (a) IN GENERAL.—Section 4(b)(6)(F) of the Food
13 and Nutrition Act of 2008 (7 U.S.C. 2013(b)(6)(F)) is
14 amended by striking “2012” and inserting “2018”.

15 (b) FEASIBILITY STUDY, REPORT, AND DEMONSTRA-
16 TION PROJECT FOR INDIAN TRIBES.—

17 (1) DEFINITIONS.—In this subsection:

18 (A) INDIAN; INDIAN TRIBE.—The terms
19 “Indian” and “Indian tribe” have the meaning
20 given the terms in section 4 of the Indian Self-
21 Determination and Education Assistance Act
22 (25 U.S.C. 450b).

23 (B) TRIBAL ORGANIZATION.—The term
24 “tribal organization” has the meaning given the
25 term in section 4 of the Indian Self-Determina-

1 tion and Education Assistance Act (25 U.S.C.
2 450b).

3 (2) STUDY.—The Secretary shall conduct a
4 study to determine the feasibility of tribal adminis-
5 tration of Federal food assistance programs, serv-
6 ices, functions, and activities (or portions thereof),
7 in lieu of State agencies or other administrating en-
8 tities.

9 (3) REPORT.—Not later than 18 months after
10 the date of enactment of this Act, the Secretary
11 shall submit to the Committee on Agriculture of the
12 House of Representatives and the Committee on Ag-
13 riculture, Nutrition, and Forestry of the Senate a
14 report that—

15 (A) contains a list of programs, services,
16 functions, and activities with respect to which it
17 would be feasible to be administered by a tribal
18 organization;

19 (B) a description of whether that adminis-
20 tration would necessitate a statutory or regu-
21 latory change; and

22 (C) such other issues that may be deter-
23 mined by the Secretary and developed through
24 consultation pursuant to paragraph (4).

1 (4) CONSULTATION WITH INDIAN TRIBES.—In
2 developing the report required by paragraph (3), the
3 Secretary shall consult with tribal organizations.

4 (5) FUNDING.—Out of any funds made avail-
5 able under section 18 for fiscal year 2014, the Sec-
6 retary shall make available to carry out the study
7 and report described in paragraphs (2) and (3)
8 \$1,000,000, to remain available until expended.

9 (6) TRADITIONAL AND LOCAL FOODS DEM-
10 ONSTRATION PROJECT.—

11 (A) IN GENERAL.—Subject to the avail-
12 ability of appropriations, the Secretary shall
13 pilot a demonstration project by awarding a
14 grant to 1 or more tribal organizations author-
15 ized to administer the food distribution pro-
16 gram on Indian reservations under section 4(b)
17 of the Food and Nutrition Act of 2008 (7
18 U.S.C. 2013(b)) for the purpose of purchasing
19 nutritious and traditional foods, and when prac-
20 ticable, foods produced locally by Indian pro-
21 ducers, for distribution to recipients of foods
22 distributed under that program.

23 (B) ADMINISTRATION.—The Secretary
24 may award a grant on a noncompetitive basis to
25 1 or more tribal organizations that have the ad-

1 ministrative and financial capability to conduct
2 a demonstration project, as determined by the
3 Secretary.

4 (C) CONSULTATION, TECHNICAL ASSIST-
5 ANCE, AND TRAINING.—During the implemen-
6 tation phase of the demonstration project, the
7 Secretary shall consult with Indian tribes and
8 provide outreach to Indian farmers, ranchers,
9 and producers regarding the training and ca-
10 pacity to participate in the demonstration
11 project.

12 (D) FUNDING.—

13 (i) AUTHORIZATION OF APPROPRIA-
14 TIONS.—There is authorized to be appro-
15 priated to carry out this section
16 \$2,000,000 for each of fiscal years 2014
17 through 2018.

18 (ii) RELATIONSHIP TO OTHER AU-
19 THORITIES.—The funds and authorities
20 provided under this subparagraph are in
21 addition to any other funds or authorities
22 the Secretary may have to carry out activi-
23 ties described in this paragraph.

1 **SEC. 4005. EXCLUSION OF MEDICAL MARIJUANA FROM EX-**
2 **CESS MEDICAL EXPENSE DEDUCTION.**

3 Section 5(e)(5) of the Food and Nutrition Act of
4 2008 (7 U.S.C. 2014(e)(5)) is amended by adding at the
5 end the following:

6 “(C) EXCLUSION OF MEDICAL MARI-
7 JUANA.—The Secretary shall promulgate rules
8 to ensure that medical marijuana is not treated
9 as a medical expense for purposes of this para-
10 graph.”.

11 **SEC. 4006. STANDARD UTILITY ALLOWANCES BASED ON**
12 **THE RECEIPT OF ENERGY ASSISTANCE PAY-**
13 **MENTS.**

14 (a) STANDARD UTILITY ALLOWANCES IN THE SUP-
15 PLEMENTAL NUTRITION ASSISTANCE PROGRAM.—Section
16 5(e)(6)(C) of the Food and Nutrition Act of 2008 (7
17 U.S.C. 2014(e)(6)(C)) is amended—

18 (1) in clause (i), by inserting “, subject to
19 clause (iv)” after “Secretary”; and

20 (2) in clause (iv), by striking subclause (I) and
21 inserting the following:

22 “(I) IN GENERAL.—Subject to
23 subclause (II), if a State agency elects
24 to use a standard utility allowance
25 that reflects heating and cooling costs,
26 the standard utility allowance shall be

1 made available to households that re-
2 ceived a payment, or on behalf of
3 which a payment was made, under the
4 Low-Income Home Energy Assistance
5 Act of 1981 (42 U.S.C. 8621 et seq.)
6 or other similar energy assistance pro-
7 gram, if in the current month or in
8 the immediately preceding 12 months,
9 the household either received such a
10 payment, or such a payment was
11 made on behalf of the household, that
12 was greater than \$20 annually, as de-
13 termined by the Secretary.”.

14 (b) CONFORMING AMENDMENT.—Section
15 2605(f)(2)(A) of the Low-Income Home Energy Assist-
16 ance Act of 1981 (42 U.S.C. 8624(f)(2)(A)) is amended
17 by inserting before the semicolon the following: “, except
18 that, for purposes of the supplemental nutrition assistance
19 program established under the Food and Nutrition Act of
20 2008 (7 U.S.C. 2011 et seq.), such payments or allow-
21 ances were greater than \$20 annually, consistent with sec-
22 tion 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C.
23 2014(e)(6)(C)(iv)(I)), as determined by the Secretary of
24 Agriculture”.

25 (c) APPLICATION AND IMPLEMENTATION.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), this section and the amendments made by
3 this section shall—

4 (A) take effect 30 days after the date of
5 enactment of this Act; and

6 (B) apply with respect to certification peri-
7 ods that begin after that date.

8 (2) STATE OPTION TO DELAY IMPLEMENTATION
9 FOR CURRENT RECIPIENTS.—A State may, at the
10 option of the State, implement a policy that elimi-
11 nates or reduces the effect of the amendments made
12 by this section on households that received a stand-
13 ard utility allowance as of the date of enactment of
14 this Act, for not more than a 5-month period begin-
15 ning on the date on which the amendments would
16 otherwise apply to the respective household.

17 **SEC. 4007. ELIGIBILITY DISQUALIFICATIONS.**

18 Section 6(e)(3)(B) of the Food and Nutrition Act of
19 2008 (7 U.S.C. 2015(e)(3)(B)) is amended by striking
20 “section;” and inserting the following:

21 “section, subject to the condition that the
22 course or program of study—

23 “(i) is part of a program of career
24 and technical education (as defined in sec-
25 tion 3 of the Carl D. Perkins Career and

1 Technical Education Act of 2006 (20
2 U.S.C. 2302)) that may be completed in
3 not more than 4 years at an institution of
4 higher education (as defined in section 102
5 of the Higher Education Act of 1965 (20
6 U.S.C. 1002)); or

7 “(ii) is limited to remedial courses,
8 basic adult education, literacy, or English
9 as a second language;”.

10 **SEC. 4008. ELIGIBILITY DISQUALIFICATIONS FOR CERTAIN**
11 **CONVICTED FELONS.**

12 (a) IN GENERAL.—Section 6 of the Food and Nutri-
13 tion Act of 2008 (7 U.S.C. 2015) is amended by adding
14 at the end the following:

15 “(r) DISQUALIFICATION FOR CERTAIN CONVICTED
16 FELONS.—

17 “(1) IN GENERAL.—An individual shall not be
18 eligible for benefits under this Act if—

19 “(A) the individual is convicted of—

20 “(i) aggravated sexual abuse under
21 section 2241 of title 18, United States
22 Code;

23 “(ii) murder under section 1111 of
24 title 18, United States Code;

1 “(iii) an offense under chapter 110 of
2 title 18, United States Code;

3 “(iv) a Federal or State offense in-
4 volving sexual assault, as defined in
5 40002(a) of the Violence Against Women
6 Act of 1994 (42 U.S.C. 13925(a)); or

7 “(v) an offense under State law deter-
8 mined by the Attorney General to be sub-
9 stantially similar to an offense described in
10 clause (i), (ii), or (iii); and

11 “(B) the individual is not in compliance
12 with the terms of the sentence of the individual
13 or the restrictions under subsection (k).

14 “(2) EFFECTS ON ASSISTANCE AND BENEFITS
15 FOR OTHERS.—The amount of benefits otherwise re-
16 quired to be provided to an eligible household under
17 this Act shall be determined by considering the indi-
18 vidual to whom paragraph (1) applies not to be a
19 member of the household, except that the income
20 and resources of the individual shall be considered to
21 be income and resources of the household.

22 “(3) ENFORCEMENT.—Each State shall require
23 each individual applying for benefits under this Act
24 to attest to whether the individual, or any member

1 of the household of the individual, has been con-
2 victed of a crime described in paragraph (1).”.

3 (b) CONFORMING AMENDMENT.—Section 5(a) of the
4 Food and Nutrition Act of 2008 (7 U.S.C. 2014(a)) is
5 amended in the second sentence by striking “sections 6(b),
6 6(d)(2), and 6(g)” and inserting “subsections (b), (d)(2),
7 (g), and (r) of section 6”.

8 (c) INAPPLICABILITY TO CONVICTIONS OCCURRING
9 ON OR BEFORE ENACTMENT.—The amendments made by
10 this section shall not apply to a conviction if the conviction
11 is for conduct occurring on or before the date of enactment
12 of this Act.

13 **SEC. 4009. ENDING SUPPLEMENTAL NUTRITION ASSIST-**
14 **ANCE PROGRAM BENEFITS FOR LOTTERY OR**
15 **GAMBLING WINNERS.**

16 (a) IN GENERAL.—Section 6 of the Food and Nutri-
17 tion Act of 2008 (7 U.S.C. 2015) (as amended by section
18 4008) is amended by adding at the end the following:

19 “(s) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT
20 OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

21 “(1) IN GENERAL.—Any household in which a
22 member receives substantial lottery or gambling
23 winnings, as determined by the Secretary, shall lose
24 eligibility for benefits immediately upon receipt of
25 the winnings.

1 “(2) DURATION OF INELIGIBILITY.—A house-
2 hold described in paragraph (1) shall remain ineli-
3 gible for participation until the household meets the
4 allowable financial resources and income eligibility
5 requirements under subsections (c), (d), (e), (f), (g),
6 (i), (k), (l), (m), and (n) of section 5.

7 “(3) AGREEMENTS.—As determined by the Sec-
8 retary, each State agency, to the maximum extent
9 practicable, shall establish agreements with entities
10 responsible for the regulation or sponsorship of gam-
11 ing in the State to determine whether individuals
12 participating in the supplemental nutrition assist-
13 ance program have received substantial lottery or
14 gambling winnings.”.

15 **SEC. 4010. IMPROVING SECURITY OF FOOD ASSISTANCE.**

16 Section 7(h)(8) of the Food and Nutrition Act of
17 2008 (7 U.S.C. 2016(h)(8)) is amended—

18 (1) in the paragraph heading, by striking
19 “CARD FEE” and inserting “OF CARDS”;

20 (2) by striking “A State” and inserting the fol-
21 lowing:

22 “(A) FEES.—A State”; and

23 (3) by adding after subparagraph (A) (as so
24 designated) the following:

25 “(B) PURPOSEFUL LOSS OF CARDS.—

1 “(i) IN GENERAL.—Subject to terms
2 and conditions established by the Secretary
3 in accordance with clause (ii), if a house-
4 hold makes excessive requests for replace-
5 ment of the electronic benefit transfer card
6 of the household, the Secretary may re-
7 quire a State agency to decline to issue a
8 replacement card to the household unless
9 the household, upon request of the State
10 agency, provides an explanation for the
11 loss of the card.

12 “(ii) REQUIREMENTS.—The terms
13 and conditions established by the Secretary
14 shall provide that—

15 “(I) the household be given the
16 opportunity to provide the requested
17 explanation and meet the require-
18 ments under this paragraph promptly;

19 “(II) after an excessive number
20 of lost cards, the head of the house-
21 hold shall be required to review pro-
22 gram rights and responsibilities with
23 State agency personnel authorized to
24 make determinations under section
25 5(a); and

1 “(III) any action taken, including
2 actions required under section
3 6(b)(2), other than the withholding of
4 the electronic benefit transfer card
5 until an explanation described in sub-
6 clause (I) is provided, shall be con-
7 sistent with the due process protec-
8 tions under section 6(b) or 11(e)(10),
9 as appropriate.

10 “(C) PROTECTING VULNERABLE PER-
11 SONS.—In implementing this paragraph, a
12 State agency shall act to protect homeless per-
13 sons, persons with disabilities, victims of
14 crimes, and other vulnerable persons who lose
15 electronic benefit transfer cards but are not in-
16 tentionally committing fraud.

17 “(D) EFFECT ON ELIGIBILITY.—While a
18 State may decline to issue an electronic benefits
19 transfer card until a household satisfies the re-
20 quirements under this paragraph, nothing in
21 this paragraph shall be considered a denial of,
22 or limitation on, the eligibility for benefits
23 under section 5.”.

1 **SEC. 4011. TECHNOLOGY MODERNIZATION FOR RETAIL**
2 **FOOD STORES.**

3 (a) **MOBILE TECHNOLOGIES.**—Section 7(h) of the
4 Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) (as
5 amended by section 4030(e)) is amended by adding at the
6 end the following:

7 “(14) **MOBILE TECHNOLOGIES.**—

8 “(A) **IN GENERAL.**—Subject to subpara-
9 graph (B), the Secretary shall approve retail
10 food stores to redeem benefits through elec-
11 tronic means other than wired point of sale de-
12 vices for electronic benefit transfer transactions,
13 if the retail food stores—

14 “(i) establish recipient protections re-
15 garding privacy, ease of use, access, and
16 support similar to the protections provided
17 for transactions made in retail food stores;

18 “(ii) bear the costs of obtaining, in-
19 stalling, and maintaining mobile tech-
20 nologies, including mechanisms needed to
21 process EBT cards and transaction fees;

22 “(iii) demonstrate the foods purchased
23 with benefits issued under this section
24 through mobile technologies are purchased
25 at a price not higher than the price of the
26 same food purchased by other methods

1 used by the retail food store, as determined
2 by the Secretary;

3 “(iv) provide adequate documentation
4 for each authorized transaction, as deter-
5 mined by the Secretary; and

6 “(v) meet other criteria as established
7 by the Secretary.

8 “(B) DEMONSTRATION PROJECT ON AC-
9 CEPTANCE OF BENEFITS OF MOBILE TRANS-
10 ACTIONS.—

11 “(i) IN GENERAL.—Before authorizing
12 implementation of subparagraph (A) in all
13 States, the Secretary shall pilot the use of
14 mobile technologies determined by the Sec-
15 retary to be appropriate to test the feasi-
16 bility and implications for program integ-
17 rity, by allowing retail food stores to accept
18 benefits from recipients of supplemental
19 nutrition assistance through mobile trans-
20 actions.

21 “(ii) DEMONSTRATION PROJECTS.—
22 To be eligible to participate in a dem-
23 onstration project under clause (i), a retail
24 food store shall submit to the Secretary for
25 approval a plan that includes—

1 “(I) a description of the tech-
2 nology;

3 “(II) the manner by which the
4 retail food store will provide proof of
5 the transaction to households;

6 “(III) the provision of data to
7 the Secretary, consistent with require-
8 ments established by the Secretary, in
9 a manner that allows the Secretary to
10 evaluate the impact of the demonstra-
11 tion on participant access, ease of use,
12 and program integrity; and

13 “(IV) such other criteria as the
14 Secretary may require.

15 “(iii) DATE OF COMPLETION.—The
16 demonstration projects under this subpara-
17 graph shall be completed and final reports
18 submitted to the Secretary by not later
19 than July 1, 2016.

20 “(C) REPORT TO CONGRESS.—The Sec-
21 retary shall—

22 “(i) by not later than January 1,
23 2017, authorize implementation of sub-
24 paragraph (A) in all States, unless the
25 Secretary makes a finding, based on the

1 data provided under subparagraph (B),
2 that implementation in all States is not in
3 the best interest of the supplemental nutri-
4 tion assistance program; and

5 “(ii) if the determination made in
6 clause (i) is not to implement subpara-
7 graph (A) in all States, submit a report to
8 the Committee on Agriculture of the House
9 of Representatives and the Committee on
10 Agriculture, Nutrition, and Forestry of the
11 Senate that includes the basis of the find-
12 ing.”.

13 (b) ACCEPTANCE OF BENEFITS THROUGH ON-LINE
14 TRANSACTIONS.—

15 (1) IN GENERAL.—Section 7 of the Food and
16 Nutrition Act of 2008 (7 U.S.C. 2016) is amended
17 by adding at the end the following:

18 “(k) OPTION TO ACCEPT PROGRAM BENEFITS
19 THROUGH ON-LINE TRANSACTIONS.—

20 “(1) IN GENERAL.—Subject to paragraph (4),
21 the Secretary shall approve retail food stores to ac-
22 cept benefits from recipients of supplemental nutri-
23 tion assistance through on-line transactions.

24 “(2) REQUIREMENTS TO ACCEPT BENEFITS.—A
25 retail food store seeking to accept benefits from re-

1 cipients of supplemental nutrition assistance through
2 on-line transactions shall—

3 “(A) establish recipient protections regard-
4 ing privacy, ease of use, access, and support
5 similar to the protections provided for trans-
6 actions made in retail food stores;

7 “(B) ensure benefits are not used to pay
8 delivery, ordering, convenience, or other fees or
9 charges;

10 “(C) clearly notify participating households
11 at the time a food order is placed—

12 “(i) of any delivery, ordering, conven-
13 ience, or other fee or charge associated
14 with the food purchase; and

15 “(ii) that any such fee cannot be paid
16 with benefits provided under this Act;

17 “(D) ensure the security of on-line trans-
18 actions by using the most effective technology
19 available that the Secretary considers appro-
20 priate and cost-effective and that is comparable
21 to the security of transactions at retail food
22 stores; and

23 “(E) meet other criteria as established by
24 the Secretary.

1 “(3) STATE AGENCY ACTION.—Each State
2 agency shall ensure that recipients of supplemental
3 nutrition assistance can use benefits on-line as de-
4 scribed in this subsection as appropriate.

5 “(4) DEMONSTRATION PROJECT ON ACCEPT-
6 ANCE OF BENEFITS THROUGH ON-LINE TRANS-
7 ACTIONS.—

8 “(A) IN GENERAL.—Before the Secretary
9 authorizes implementation of paragraph (1) in
10 all States, the Secretary shall carry out a num-
11 ber of demonstration projects as determined by
12 the Secretary to test the feasibility of allowing
13 retail food stores to accept benefits through on-
14 line transactions.

15 “(B) DEMONSTRATION PROJECTS.—To be
16 eligible to participate in a demonstration project
17 under subparagraph (A), a retail food store
18 shall submit to the Secretary for approval a
19 plan that includes—

20 “(i) a method of ensuring that bene-
21 fits may be used to purchase only eligible
22 items under this Act;

23 “(ii) a description of the method of
24 educating participant households about the

1 availability and operation of on-line pur-
2 chasing;

3 “(iii) adequate testing of the on-line
4 purchasing option prior to implementation;

5 “(iv) the provision of data as re-
6 quested by the Secretary for purposes of
7 analyzing the impact of the project on par-
8 ticipant access, ease of use, and program
9 integrity;

10 “(v) reports on progress, challenges,
11 and results, as determined by the Sec-
12 retary; and

13 “(vi) such other criteria, including se-
14 curity criteria, as established by the Sec-
15 retary.

16 “(C) DATE OF COMPLETION.—The dem-
17 onstration projects under this paragraph shall
18 be completed and final reports submitted to the
19 Secretary by not later than July 1, 2016.

20 “(5) REPORT TO CONGRESS.—The Secretary
21 shall—

22 “(A) by not later than January 1, 2017,
23 authorize implementation of paragraph (1) in
24 all States, unless the Secretary makes a find-
25 ing, based on the data provided under para-

1 graph (4), that implementation in all States is
2 not in the best interest of the supplemental nu-
3 trition assistance program; and

4 “(B) if the determination made in sub-
5 paragraph (A) is not to implement in all States,
6 submit a report to the Committee on Agri-
7 culture of the House of Representatives and the
8 Committee on Agriculture, Nutrition, and For-
9 estry of the Senate that includes the basis of
10 the finding.”.

11 (2) CONFORMING AMENDMENTS.—

12 (A) Section 7(b) of the Food and Nutrition
13 Act of 2008 (7 U.S.C. 2016(b)) is amended by
14 striking “purchase food in retail food stores”
15 and inserting “purchase food from retail food
16 stores”.

17 (B) Section 10 of the Food and Nutrition
18 Act of 2008 (7 U.S.C. 2019) is amended in the
19 first sentence by inserting “retail food stores
20 authorized to accept and redeem benefits
21 through on-line transactions shall be authorized
22 to accept benefits prior to the delivery of food
23 if the delivery occurs within a reasonable time
24 of the purchase, as determined by the Sec-
25 retary,” after “food so purchased,”.

1 (c) SAVINGS CLAUSE.—Nothing in this section or an
2 amendment made by this section alters any requirements
3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2011
4 et seq.) unless specifically authorized in this section or an
5 amendment made by this section.

6 **SEC. 4012. USE OF BENEFITS FOR PURCHASE OF COMMU-**
7 **NITY-SUPPORTED AGRICULTURE SHARE.**

8 Subsection (o)(4) of section 3 of the Food and Nutri-
9 tion Act of 2008 (7 U.S.C. 2012) (as redesignated by sec-
10 tion 4030(a)(4)) is amended by inserting “, or agricultural
11 producers who market agricultural products directly to
12 consumers” after “such food”.

13 **SEC. 4013. IMPROVED WAGE VERIFICATION USING THE NA-**
14 **TIONAL DIRECTORY OF NEW HIRES.**

15 Section 11(e) of the Food and Nutrition Act of 2008
16 (7 U.S.C. 2020(e)) is amended—

17 (1) in paragraph (3), by inserting “and after
18 compliance with the requirement specified in para-
19 graph (24)” after “section 16(e) of this Act”;

20 (2) in paragraph (22), by striking “and” at the
21 end;

22 (3) in paragraph (23)(C), by striking the period
23 at the end and inserting “; and”; and

24 (4) by adding at the end the following:

1 “(24) that the State agency shall request wage
2 data directly from the National Directory of New
3 Hires established under section 453(i) of the Social
4 Security Act (42 U.S.C. 653(i)) relevant to deter-
5 mining eligibility to receive supplemental nutrition
6 assistance program benefits and determining the
7 correct amount of those benefits at the time of cer-
8 tification.”.

9 **SEC. 4014. RESTAURANT MEALS PROGRAM.**

10 (a) IN GENERAL.—Section 11(e) of the Food and
11 Nutrition Act of 2008 (7 U.S.C. 2020(e)) (as amended
12 by section 4013) is amended—

13 (1) in paragraph (23)(C), by striking “and” at
14 the end;

15 (2) in paragraph (24), by striking the period at
16 the end and inserting “; and”; and

17 (3) by adding at the end the following:

18 “(25) if the State elects to carry out a program
19 to contract with private establishments to offer
20 meals at concessional prices, as described in para-
21 graphs (3), (4), and (9) of section 3(k)—

22 “(A) the plans of the State agency for op-
23 erating the program, including—

24 “(i) documentation of a need that eli-
25 gible homeless, elderly, and disabled clients

1 are underserved in a particular geographic
2 area;

3 “(ii) the manner by which the State
4 agency will limit participation to only those
5 private establishments that the State de-
6 termines necessary to meet the need identi-
7 fied in clause (i); and

8 “(iii) any other conditions the Sec-
9 retary may prescribe, such as the level of
10 security necessary to ensure that only eligi-
11 ble recipients participate in the program;
12 and

13 “(B) a report by the State agency to the
14 Secretary annually, the schedule of which shall
15 be established by the Secretary, that includes—

16 “(i) the number of households and in-
17 dividual recipients authorized to partici-
18 pate in the program, including any infor-
19 mation on whether the individual recipient
20 is elderly, disabled, or homeless; and

21 “(ii) an assessment of whether the
22 program is meeting an established need, as
23 documented under subparagraph (A)(i).”.

24 (b) APPROVAL OF RETAIL FOOD STORES AND
25 WHOLESALE FOOD CONCERNS.—Section 9 of the Food

1 and Nutrition Act of 2008 (7 U.S.C. 2018) (as amended
2 by section 4002(d)(2)) is amended by adding at the end
3 the following:

4 “(h) PRIVATE ESTABLISHMENTS.—

5 “(1) IN GENERAL.—Subject to paragraph (2),
6 no private establishment that contracts with a State
7 agency to offer meals at concessional prices as de-
8 scribed in paragraphs (3), (4), and (9) of section
9 3(k) may be authorized to accept and redeem bene-
10 fits unless the Secretary determines that the partici-
11 pation of the private establishment is required to
12 meet a documented need in accordance with section
13 11(e)(25).

14 “(2) EXISTING CONTRACTS.—

15 “(A) IN GENERAL.—If, on the day before
16 the date of enactment of this subsection, a
17 State has entered into a contract with a private
18 establishment described in paragraph (1) and
19 the Secretary has not determined that the par-
20 ticipation of the private establishment is nec-
21 essary to meet a documented need in accord-
22 ance with section 11(e)(25), the Secretary shall
23 allow the operation of the private establishment
24 to continue without that determination of need
25 for a period not to exceed 180 days from the

1 date on which the Secretary establishes deter-
2 mination criteria, by regulation, under section
3 11(e)(25).

4 “(B) JUSTIFICATION.—If the Secretary de-
5 termines to terminate a contract with a private
6 establishment that is in effect on the date of
7 enactment of this subsection, the Secretary
8 shall provide justification to the State in which
9 the private establishment is located for that ter-
10 mination.

11 “(3) REPORT TO CONGRESS.—Not later than
12 90 days after September 30, 2014, and 90 days
13 after the last day of each fiscal year thereafter, the
14 Secretary shall submit to the Committee on Agri-
15 culture of the House of Representatives and the
16 Committee on Agriculture, Nutrition, and Forestry
17 of the Senate a report on the effectiveness of a pro-
18 gram under this subsection using any information
19 received from States under section 11(e)(25) as well
20 as any other information the Secretary may have re-
21 lating to the manner in which benefits are used.”.

22 (c) CONFORMING AMENDMENTS.—Section 3(k) of
23 the Food and Nutrition Act of 2008 (7 U.S.C. 2012(k))
24 is amended by inserting “subject to section 9(h)” after
25 “concessional prices” each place it appears.

1 **SEC. 4015. MANDATING STATE IMMIGRATION**
2 **VERIFICATION.**

3 Section 11 of the Food and Nutrition Act of 2008
4 (7 U.S.C. 2020) is amended by striking subsection (p) and
5 inserting the following:

6 “(p) STATE VERIFICATION OPTION.—In carrying out
7 the supplemental nutrition assistance program, a State
8 agency shall be required to use an immigration status
9 verification system established under section 1137 of the
10 Social Security Act (42 U.S.C. 1320b–7), and an income
11 and eligibility verification system, in accordance with
12 standards set by the Secretary.”.

13 **SEC. 4016. DATA EXCHANGE STANDARDIZATION FOR IM-**
14 **PROVED INTEROPERABILITY.**

15 (a) DATA EXCHANGE STANDARDIZATION.—Section
16 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020)
17 is amended by adding at the end the following:

18 “(v) DATA EXCHANGE STANDARDS FOR IMPROVED
19 INTEROPERABILITY.—

20 “(1) DESIGNATION.—The Secretary shall, in
21 consultation with an interagency work group estab-
22 lished by the Office of Management and Budget, and
23 considering State government perspectives, designate
24 data exchange standards to govern, under this Act—

25 “(A) necessary categories of information
26 that State agencies operating related programs

1 are required under applicable law to electroni-
2 cally exchange with another State agency; and

3 “(B) Federal reporting and data exchange
4 required under applicable law.

5 “(2) REQUIREMENTS.—The data exchange
6 standards required by paragraph (1) shall, to the
7 maximum extent practicable—

8 “(A) incorporate a widely accepted, non-
9 proprietary, searchable, computer-readable for-
10 mat, such as the eXtensible Markup Language;

11 “(B) contain interoperable standards devel-
12 oped and maintained by intergovernmental
13 partnerships, such as the National Information
14 Exchange Model;

15 “(C) incorporate interoperable standards
16 developed and maintained by Federal entities
17 with authority over contracting and financial
18 assistance;

19 “(D) be consistent with and implement ap-
20 plicable accounting principles;

21 “(E) be implemented in a manner that is
22 cost-effective and improves program efficiency
23 and effectiveness; and

24 “(F) be capable of being continually up-
25 graded as necessary.

1 “(3) RULES OF CONSTRUCTION.—Nothing in
2 this subsection requires a change to existing data ex-
3 change standards for Federal reporting found to be
4 effective and efficient.”.

5 (b) APPLICATION DATE.—

6 (1) IN GENERAL.—Not later than 2 years after
7 the date of enactment of this Act, the Secretary
8 shall issue a proposed rule to carry out the amend-
9 ments made by this section.

10 (2) REQUIREMENTS.—The rule shall—

11 (A) identify federally required data ex-
12 changes;

13 (B) include specification and timing of ex-
14 changes to be standardized;

15 (C) address the factors used in deter-
16 mining whether and when to standardize data
17 exchanges;

18 (D) specify State implementation options;

19 and

20 (E) describe future milestones.

1 **SEC. 4017. PILOT PROJECTS TO IMPROVE FEDERAL-STATE**
2 **COOPERATION IN IDENTIFYING AND REDUC-**
3 **ING FRAUD IN THE SUPPLEMENTAL NUTRI-**
4 **TION ASSISTANCE PROGRAM.**

5 Section 12 of the Food and Nutrition Act of 2008
6 (7 U.S.C. 2021) is amended by adding at the end the fol-
7 lowing:

8 “(i) PILOT PROJECTS TO IMPROVE FEDERAL-STATE
9 COOPERATION IN IDENTIFYING AND REDUCING FRAUD IN
10 THE SUPPLEMENTAL NUTRITION ASSISTANCE PRO-
11 GRAM.—

12 “(1) PILOT PROJECTS REQUIRED.—

13 “(A) IN GENERAL.—The Secretary shall
14 carry out, under such terms and conditions as
15 are determined by the Secretary, pilot projects
16 to test innovative Federal-State partnerships to
17 identify, investigate, and reduce fraud by retail
18 food stores and wholesale food concerns in the
19 supplemental nutrition assistance program, in-
20 cluding allowing States to operate programs to
21 investigate that fraud.

22 “(B) REQUIREMENT.—At least 1 pilot
23 project described in subparagraph (A) shall be
24 carried out in an urban area that is among the
25 10 largest urban areas in the United States
26 (based on population), if—

1 “(i) the supplemental nutrition assist-
2 ance program is separately administered in
3 the area; and

4 “(ii) if the administration of the sup-
5 plemental nutrition assistance program in
6 the area complies with the other applicable
7 requirements of the program.

8 “(2) SELECTION CRITERIA.—Pilot projects shall
9 be selected based on criteria the Secretary estab-
10 lishes, which shall include—

11 “(A) enhancing existing efforts by the Sec-
12 retary to reduce fraud described in paragraph
13 (1)(A);

14 “(B) requiring participant States to main-
15 tain the overall level of effort of the States at
16 addressing recipient fraud, as determined by
17 the Secretary, prior to participation in the pilot
18 project;

19 “(C) collaborating with other law enforce-
20 ment authorities as necessary to carry out an
21 effective pilot project;

22 “(D) commitment of the participant State
23 agency to follow Federal rules and procedures
24 with respect to investigations described in para-
25 graph (1)(A); and

1 “(E) the extent to which a State has com-
2 mitted resources to recipient fraud and the rel-
3 ative success of those efforts.

4 “(3) EVALUATION.—

5 “(A) IN GENERAL.—The Secretary shall
6 evaluate the pilot projects selected under this
7 subsection to measure the impact of the pilot
8 projects.

9 “(B) REQUIREMENTS.—The evaluation
10 shall include—

11 “(i) the impact of each pilot project
12 on increasing the capacity of the Secretary
13 to address fraud described in paragraph
14 (1)(A);

15 “(ii) the effectiveness of the pilot
16 projects in identifying, preventing and re-
17 ducing fraud described in paragraph
18 (1)(A); and

19 “(iii) the cost effectiveness of the pilot
20 projects.

21 “(4) REPORT TO CONGRESS.—Not later than
22 September 30, 2017, the Secretary shall submit to
23 the Committee on Agriculture of the House of Rep-
24 resentatives and the Committee on Agriculture, Nu-
25 trition, and Forestry of the Senate, a report that in-

1 cludes a description of the results of each pilot
2 project, including—

3 “(A) an evaluation of the impact of the
4 pilot project on fraud described in paragraph
5 (1)(A); and

6 “(B) the costs associated with the pilot
7 project.

8 “(5) FUNDING.—Any costs incurred by a State
9 to operate pilot projects under this subsection that
10 are in excess of the amount expended under this Act
11 to identify, investigate, and reduce fraud described
12 in paragraph (1)(A) in the respective State in the
13 previous fiscal year shall not be eligible for Federal
14 reimbursement under this Act.”.

15 **SEC. 4018. PROHIBITING GOVERNMENT-SPONSORED RE-**
16 **CRUITMENT ACTIVITIES.**

17 (a) ADMINISTRATIVE COST-SHARING AND QUALITY
18 CONTROL.—Section 16(a)(4) of the Food and Nutrition
19 Act of 2008 (7 U.S.C. 2025(a)(4)) is amended by insert-
20 ing after “recruitment activities” the following: “designed
21 to persuade an individual to apply for program benefits
22 or that promote the program through television, radio, or
23 billboard advertisements”.

24 (b) LIMITATION ON USE OF FUNDS AUTHORIZED TO
25 BE APPROPRIATED UNDER ACT.—Section 18 of the Food

1 and Nutrition Act of 2008 (7 U.S.C. 2027) is amended
2 by adding at the end the following:

3 “(g) BAN ON RECRUITMENT AND PROMOTION AC-
4 TIVITIES.—

5 “(1) IN GENERAL.—Except as provided in para-
6 graph (2), no funds authorized to be appropriated
7 under this Act shall be used by the Secretary for—

8 “(A) recruitment activities designed to per-
9 suade an individual to apply for supplemental
10 nutrition assistance program benefits;

11 “(B) television, radio, or billboard adver-
12 tisements that are designed to promote supple-
13 mental nutrition assistance program benefits
14 and enrollment; or

15 “(C) any agreements with foreign govern-
16 ments designed to promote supplemental nutri-
17 tion assistance program benefits and enroll-
18 ment.

19 “(2) LIMITATION.—Paragraph (1)(B) shall not
20 apply to programmatic activities undertaken with re-
21 spect to benefits made under section 5(h).”.

22 (c) BAN ON RECRUITMENT ACTIVITIES BY ENTITIES
23 THAT RECEIVE FUNDS.—Section 18 of the Food and Nu-
24 trition Act of 2008 (7 U.S.C. 2027) (as amended by sub-
25 section (b)) is amended by adding at the end the following:

1 “(h) BAN ON RECRUITMENT BY ENTITIES THAT RE-
2 CEIVE FUNDS.—The Secretary shall issue regulations that
3 prohibit entities that receive funds under this Act to com-
4 pensate any person for conducting outreach activities re-
5 lating to participation in, or for recruiting individuals to
6 apply to receive benefits under, the supplemental nutrition
7 assistance program, if the amount of the compensation
8 would be based on the number of individuals who apply
9 to receive the benefits.”.

10 **SEC. 4019. TOLERANCE LEVEL FOR EXCLUDING SMALL ER-**
11 **RORS.**

12 Section 16(c)(1)(A) of the Food and Nutrition Act
13 of 2008 (7 U.S.C. 2025(c)(1)(A)) is amended—

14 (1) by striking “In carrying” and inserting the
15 following:

16 “(i) IN GENERAL.—In carrying”; and

17 (2) by adding at the end the following:

18 “(ii) TOLERANCE LEVEL FOR EX-
19 CLUDING SMALL ERRORS.—The Secretary
20 shall set the tolerance level for excluding
21 small errors for the purposes of this sub-
22 section—

23 “(I) for fiscal year 2014, at an
24 amount not greater than \$37; and

1 “(II) for each fiscal year there-
2 after, the amount specified in sub-
3 clause (I) adjusted by the percentage
4 by which the thrifty food plan is ad-
5 justed under section 3(u)(4) between
6 June 30, 2013, and June 30 of the
7 immediately preceding fiscal year.”.

8 **SEC. 4020. QUALITY CONTROL STANDARDS.**

9 (a) IN GENERAL.—Section 16(c)(1)(D)(i) of the
10 Food and Nutrition Act of 2008 (7 U.S.C.
11 2025(c)(1)(D)(i)) is amended by striking subclause (I).

12 (b) CONFORMING AMENDMENTS.—

13 (1) Section 13(a)(1) of the Food and Nutrition
14 Act of 2008 (7 U.S.C. 2022(a)(1)) is amended in
15 the first sentence by striking “section
16 16(c)(1)(D)(i)(III)” and inserting “section
17 16(c)(1)(D)(i)(II)”.

18 (2) Section 16(c)(1) of the Food and Nutrition
19 Act of 2008 (7 U.S.C. 2025(c)(1)) is amended—

20 (A) in subparagraph (D)—

21 (i) in clause (i)—

22 (I) by redesignating subclauses
23 (II) through (IV) as subclauses (I)
24 through (III), respectively; and

1 (II) in subclause (III) (as so re-
2 designated), by striking “through
3 (III)” and inserting “and (II)”; and
4 (ii) in clause (ii), by striking “waiver
5 amount or”;
6 (B) in subparagraph (E)(i), by striking
7 “(D)(i)(III)” and inserting “(D)(i)(II)”; and
8 (C) in subparagraph (F), by striking
9 “(D)(i)(II)” each place it appears and inserting
10 “(D)(i)(I)”.

11 **SEC. 4021. PERFORMANCE BONUS PAYMENTS.**

12 Section 16(d) of the Food and Nutrition Act of 2008
13 (7 U.S.C. 2025(d)) is amended by adding at the end the
14 following:

15 “(5) USE OF PERFORMANCE BONUS PAY-
16 MENTS.—A State agency may use a performance
17 bonus payment received under this subsection only
18 to carry out the program established under this Act,
19 including investments in—
20 “(A) technology;
21 “(B) improvements in administration and
22 distribution; and
23 “(C) actions to prevent fraud, waste, and
24 abuse.”.

1 **SEC. 4022. PILOT PROJECTS TO REDUCE DEPENDENCY AND**
2 **INCREASE WORK REQUIREMENTS AND WORK**
3 **EFFORT UNDER SUPPLEMENTAL NUTRITION**
4 **ASSISTANCE PROGRAM.**

5 (a) IN GENERAL.—Section 16(h) of the Food and
6 Nutrition Act of 2008 (7 U.S.C. 2025(h)) is amended—

7 (1) in paragraph (1)—

8 (A) in subparagraph (A)—

9 (i) by striking “15 months” and in-
10 serting “24 months”; and

11 (ii) by striking “, except that for fiscal
12 year 2013 and fiscal year 2014, the
13 amount shall be \$79,000,000”;

14 (B) in subparagraph (C)—

15 (i) by striking “If a State” and insert-
16 ing the following:

17 “(i) IN GENERAL.—If a State”; and

18 (ii) by adding at the end the fol-
19 lowing:

20 “(ii) TIMING.—The Secretary shall
21 collect such information as the Secretary
22 determines to be necessary about the ex-
23 penditures and anticipated expenditures by
24 the State agencies of the funds initially al-
25 located to the State agencies under sub-
26 paragraph (A) to make reallocations of un-

1 expended funds under clause (i) within a
2 timeframe that allows each State agency to
3 which funds are reallocated at least 270
4 days to expend the reallocated funds.

5 “(iii) OPPORTUNITY.—The Secretary
6 shall ensure that all State agencies have an
7 opportunity to obtain reallocated funds.”;
8 and

9 (C) by adding at the end the following:

10 “(F) PILOT PROJECTS TO REDUCE DE-
11 PENDENCY AND INCREASE WORK REQUIRE-
12 MENTS AND WORK EFFORT UNDER SUPPLE-
13 MENTAL NUTRITION ASSISTANCE PROGRAM.—

14 “(i) PILOT PROJECTS REQUIRED.—

15 “(I) IN GENERAL.—The Sec-
16 retary shall carry out pilot projects
17 under which State agencies shall enter
18 into cooperative agreements with the
19 Secretary to develop and test meth-
20 ods, including operating work pro-
21 grams with certain features com-
22 parable to the program of block
23 grants to States for temporary assist-
24 ance for needy families established
25 under part A of title IV of the Social

1 Security Act (42 U.S.C. 601 et seq.),
2 for employment and training pro-
3 grams and services to raise the num-
4 ber of work registrants under section
5 6(d) of this Act who obtain unsub-
6 sidized employment, increase the
7 earned income of the registrants, and
8 reduce the reliance of the registrants
9 on public assistance, so as to reduce
10 the need for supplemental nutrition
11 assistance benefits.

12 “(II) REQUIREMENTS.—Pilot
13 projects shall—

14 “(aa) meet such terms and
15 conditions as the Secretary con-
16 siders to be appropriate; and

17 “(bb) except as otherwise
18 provided in this subparagraph, be
19 in accordance with the require-
20 ments of sections 6(d) and 20.

21 “(ii) SELECTION CRITERIA.—

22 “(I) IN GENERAL.—The Sec-
23 retary shall select pilot projects under
24 this subparagraph in accordance with
25 the criteria established under this

1 clause and additional criteria estab-
2 lished by the Secretary.

3 “(II) QUALIFYING CRITERIA.—
4 To be eligible to participate in a pilot
5 project, a State agency shall—

6 “(aa) agree to participate in
7 the evaluation described in clause
8 (vii), including providing evidence
9 that the State has a robust data
10 collection system for program ad-
11 ministration and cooperating to
12 make available State data on the
13 employment activities and post-
14 participation employment, earn-
15 ings, and public benefit receipt of
16 participants to ensure proper and
17 timely evaluation;

18 “(bb) commit to collaborate
19 with the State workforce board
20 and other job training programs
21 in the State and local area; and

22 “(cc) commit to maintain at
23 least the amount of State fund-
24 ing for employment and training
25 programs and services under

1 paragraphs (2) and (3) and
2 under section 20 as the State ex-
3 pended for fiscal year 2013.

4 “(III) SELECTION CRITERIA.—In
5 selecting pilot projects, the Secretary
6 shall—

7 “(aa) consider the degree to
8 which the pilot project would en-
9 hance existing employment and
10 training programs in the State;

11 “(bb) consider the degree to
12 which the pilot project would en-
13 hance the employment and earn-
14 ings of program participants;

15 “(cc) consider whether there
16 is evidence that the pilot project
17 could be replicated easily by
18 other States or political subdivi-
19 sions;

20 “(dd) consider whether the
21 State agency has a demonstrated
22 capacity to operate high quality
23 employment and training pro-
24 grams; and

1 “(ee) ensure the pilot
2 projects, when considered as a
3 group, test a range of strategies,
4 including strategies that—

5 “(AA) target individ-
6 uals with low skills or lim-
7 ited work experience, indi-
8 viduals subject to the re-
9 quirements under section
10 6(o), and individuals who
11 are working;

12 “(BB) are located in a
13 range of geographic areas
14 and States, including rural
15 and urban areas;

16 “(CC) emphasize edu-
17 cation and training, rehabili-
18 tative services for individuals
19 with barriers to employment,
20 rapid attachment to employ-
21 ment, and mixed strategies;
22 and

23 “(DD) test programs
24 that assign work registrants
25 to mandatory and voluntary

1 participation in employment
2 and training activities.

3 “(iii) ACCOUNTABILITY .—

4 “(I) IN GENERAL.—The Sec-
5 retary shall establish and implement a
6 process to terminate a pilot project
7 for which the State has failed to meet
8 the criteria described in clause (ii) or
9 other criteria established by the Sec-
10 retary.

11 “(II) TIMING.—The process shall
12 include a reasonable time period, not
13 to exceed 180 days, for State agencies
14 found noncompliant to correct the
15 noncompliance.

16 “(iv) EMPLOYMENT AND TRAINING
17 ACTIVITIES.—Allowable programs and
18 services carried out under this subpara-
19 graph shall include those programs and
20 services authorized under this Act and em-
21 ployment and training activities authorized
22 under the program of block grants to
23 States for temporary assistance for needy
24 families established under part A of title

1 IV of the Social Security Act (42 U.S.C.
2 601 et seq.), including:

3 “(I) Employment in the public or
4 private sector that is not subsidized
5 by any public program.

6 “(II) Employment in the private
7 sector for which the employer receives
8 a subsidy from public funds to offset
9 all or a part of the wages and costs of
10 employing an adult.

11 “(III) Employment in the public
12 sector for which the employer receives
13 a subsidy from public funds to offset
14 all or a part of the wages and costs of
15 employing an adult.

16 “(IV) A work activity that—
17 “(aa) is performed in return
18 for public benefits;

19 “(bb) provides an adult with
20 an opportunity to acquire the
21 general skills, knowledge, and
22 work habits necessary to obtain
23 employment;

24 “(cc) is designed to improve
25 the employability of those who

1 cannot find unsubsidized employ-
2 ment; and

3 “(dd) is supervised by an
4 employer, work site sponsor, or
5 other responsible party on an on-
6 going basis.

7 “(V) Training in the public or
8 private sector that—

9 “(aa) is given to a paid em-
10 ployee while the employee is en-
11 gaged in productive work; and

12 “(bb) provides knowledge
13 and skills essential to the full and
14 adequate performance of the job.

15 “(VI) Job search, obtaining em-
16 ployment, or preparation to seek or
17 obtain employment, including—

18 “(aa) life skills training;

19 “(bb) substance abuse treat-
20 ment or mental health treatment,
21 determined to be necessary and
22 documented by a qualified med-
23 ical, substance abuse, or mental
24 health professional; and

1 “(cc) rehabilitation activi-
2 ties, supervised by a public agen-
3 cy or other responsible party on
4 an ongoing basis.

5 “(VII) Structured programs and
6 embedded activities—

7 “(aa) in which adults per-
8 form work for the direct benefit
9 of the community under the aus-
10 pices of public or nonprofit orga-
11 nizations;

12 “(bb) that are limited to
13 projects that serve useful commu-
14 nity purposes in fields such as
15 health, social service, environ-
16 mental protection, education,
17 urban and rural redevelopment,
18 welfare, recreation, public facili-
19 ties, public safety, and child care;

20 “(cc) that are designed to
21 improve the employability of
22 adults not otherwise able to ob-
23 tain unsubsidized employment;

24 “(dd) that are supervised on
25 an ongoing basis; and

1 “(ee) with respect to which
2 a State agency takes into ac-
3 count, to the maximum extent
4 practicable, the prior training,
5 experience, and skills of a recipi-
6 ent in making appropriate com-
7 munity service assignments.

8 “(VIII) Career and technical
9 training programs that are—

10 “(aa) directly related to the
11 preparation of adults for employ-
12 ment in current or emerging oc-
13 cupations; and

14 “(bb) supervised on an on-
15 going basis.

16 “(IX) Training or education for
17 job skills that are—

18 “(aa) required by an em-
19 ployer to provide an adult with
20 the ability to obtain employment
21 or to advance or adapt to the
22 changing demands of the work-
23 place; and

24 “(bb) supervised on an on-
25 going basis.

1 “(X) Education that is—

2 “(aa) related to a specific
3 occupation, job, or job offer; and

4 “(bb) supervised on an on-
5 going basis.

6 “(XI) In the case of an adult
7 who has not completed secondary
8 school or received a certificate of gen-
9 eral equivalence, regular attendance
10 that is—

11 “(aa) in accordance with the
12 requirements of the secondary
13 school or course of study, at a
14 secondary school or in a course of
15 study leading to a certificate of
16 general equivalence; and

17 “(bb) supervised on an on-
18 going basis.

19 “(XII) Providing child care to
20 enable another recipient of public ben-
21 efits to participate in a community
22 service program that—

23 “(aa) does not provide com-
24 pensation for the community
25 service;

1 “(bb) is a structured pro-
2 gram designed to improve the
3 employability of adults who par-
4 ticipate in the program; and

5 “(cc) is supervised on an on-
6 going basis.

7 “(v) SANCTIONS.—Subject to clause
8 (vi), no work registrant shall be eligible to
9 participate in the supplemental nutrition
10 assistance program if the individual re-
11 fuses without good cause to participate in
12 an employment and training program
13 under this subparagraph, to the extent re-
14 quired by the State agency.

15 “(vi) STANDARDS.—

16 “(I) IN GENERAL.—Employment
17 and training activities under this sub-
18 paragraph shall be considered to be
19 carried out under section 6(d), includ-
20 ing for the purpose of satisfying any
21 conditions of participation and dura-
22 tion of ineligibility.

23 “(II) STANDARDS FOR CERTAIN
24 EMPLOYMENT ACTIVITIES.—The Sec-
25 retary shall establish standards for

1 employment activities described in
2 subclauses (I), (II), and (III) of
3 clause (iv) that ensure that failure to
4 work for reasons beyond the control of
5 an individual, such as involuntary re-
6 duction in hours of employment, shall
7 not result in ineligibility.

8 “(III) PARTICIPATION IN OTHER
9 PROGRAMS.—Before assigning a work
10 registrant to mandatory employment
11 and training activities, a State agency
12 shall—

13 “(aa) assess whether the
14 work registrant is participating
15 in substantial employment and
16 training activities outside of the
17 pilot project that are expected to
18 result in the work registrant
19 gaining increased skills, training,
20 work, or experience consistent
21 with the objectives of the pilot
22 project; and

23 “(bb) if determined to be ac-
24 ceptable, count hours engaged in

1 the activities toward any min-
2 imum participation requirement.

3 “(vii) EVALUATION AND REPORT-
4 ING.—

5 “(I) INDEPENDENT EVALUA-
6 TION.—

7 “(aa) IN GENERAL.—The
8 Secretary shall, under such terms
9 and conditions as the Secretary
10 determines to be appropriate,
11 conduct for each State agency
12 that enters into a cooperative
13 agreement under clause (i) an
14 independent longitudinal evalua-
15 tion of each pilot project of the
16 State agency under this subpara-
17 graph, with results reported not
18 less frequently than in consecu-
19 tive 12-month increments.

20 “(bb) PURPOSE.—The pur-
21 pose of the independent evalua-
22 tion shall be to measure the im-
23 pact of employment and training
24 programs and services provided
25 by each State agency under the

1 pilot projects on the ability of
2 adults in each pilot project target
3 population to find and retain em-
4 ployment that leads to increased
5 household income and reduced
6 reliance on public assistance, as
7 well as other measures of house-
8 hold well-being, compared to
9 what would have occurred in the
10 absence of the pilot project.

11 “(cc) METHODOLOGY.—The
12 independent evaluation shall use
13 valid statistical methods that can
14 determine, for each pilot project,
15 the difference, if any, between
16 supplemental nutrition assistance
17 and other public benefit receipt
18 expenditures, employment, earn-
19 ings and other impacts as deter-
20 mined by the Secretary—

21 “(AA) as a result of the
22 employment and training
23 programs and services pro-
24 vided by the State agency

1 under the pilot project; as
2 compared to
3 “(BB) a control group
4 that is not subject to the
5 employment and training
6 programs and services pro-
7 vided by the State agency
8 under the pilot project.

9 “(II) REPORTING.—Not later
10 than December 31, 2015, and each
11 December 31 thereafter until the com-
12 pletion of the last evaluation under
13 subclause (I), the Secretary shall sub-
14 mit to the Committee on Agriculture
15 of the House of Representatives and
16 the Committee on Agriculture, Nutri-
17 tion, and Forestry of the Senate and
18 share broadly, including by posting on
19 the Internet website of the Depart-
20 ment of Agriculture, a report that in-
21 cludes a description of—

22 “(aa) the status of each
23 pilot project carried out under
24 this subparagraph;

1 “(bb) the results of the eval-
2 uation completed during the pre-
3 vious fiscal year;

4 “(cc) to the maximum ex-
5 tent practicable, baseline infor-
6 mation relevant to the stated
7 goals and desired outcomes of the
8 pilot project;

9 “(dd) the employment and
10 training programs and services
11 each State tested under the pilot,
12 including—

13 “(AA) the system of the
14 State for assessing the abil-
15 ity of work registrants to
16 participate in and meet the
17 requirements of employment
18 and training activities and
19 assigning work registrants
20 to appropriate activities; and

21 “(BB) the employment
22 and training activities and
23 services provided under the
24 pilot;

1 “(ee) the impact of the em-
2 ployment and training programs
3 and services on appropriate em-
4 ployment, income, and public
5 benefit receipt as well as other
6 outcomes among households par-
7 ticipating in the pilot project, rel-
8 ative to households not partici-
9 pating; and

10 “(ff) the steps and funding
11 necessary to incorporate into
12 State employment and training
13 programs and services the com-
14 ponents of the pilot projects that
15 demonstrate increased employ-
16 ment and earnings.

17 “(viii) FUNDING.—

18 “(I) IN GENERAL.—Subject to
19 subclause (II), from amounts made
20 available under section 18(a)(1), the
21 Secretary shall use to carry out this
22 subparagraph—

23 “(aa) for fiscal year 2014,
24 \$10,000,000; and

1 “(bb) for fiscal year 2015,
2 \$190,000,000.

3 “(II) LIMITATIONS.—

4 “(aa) IN GENERAL.—The
5 Secretary shall not fund more
6 than 10 pilot projects under this
7 subparagraph.

8 “(bb) DURATION.—Each
9 pilot project shall be in effect for
10 not more than 3 years.

11 “(III) AVAILABILITY OF
12 FUNDS.—Funds made available under
13 subclause (I) shall remain available
14 through September 30, 2018.

15 “(ix) USE OF FUNDS.—

16 “(I) IN GENERAL.—Funds made
17 available under this subparagraph for
18 pilot projects shall be used only for—

19 “(aa) pilot projects that
20 comply with this Act;

21 “(bb) the program and ad-
22 ministrative costs of carrying out
23 the pilot projects;

24 “(cc) the costs incurred in
25 developing systems and providing

1 information and data for the
2 independent evaluations under
3 clause (vii); and

4 “(dd) the costs of the eval-
5 uations under clause (vii).

6 “(II) MAINTENANCE OF EF-
7 FORT.—Funds made available under
8 this subparagraph shall be used only
9 to supplement, not to supplant, non-
10 Federal funds used for existing em-
11 ployment and training activities or
12 services.

13 “(III) OTHER FUNDS.—In car-
14 rying out pilot projects, States may
15 contribute additional funds obtained
16 from other sources, including Federal,
17 State, or private funds, on the condi-
18 tion that the use of the contributions
19 is permissible under Federal law.”;
20 and

21 (2) by striking paragraph (5) and inserting the
22 following:

23 “(5) MONITORING.—

24 “(A) IN GENERAL.—The Secretary shall
25 monitor the employment and training programs

1 carried out by State agencies under section
2 6(d)(4) and assess the effectiveness of the pro-
3 grams in—

4 “(i) preparing members of households
5 participating in the supplemental nutrition
6 assistance program for employment, in-
7 cluding the acquisition of basic skills nec-
8 essary for employment; and

9 “(ii) increasing the number of house-
10 hold members who obtain and retain em-
11 ployment subsequent to participation in
12 the employment and training programs.

13 “(B) REPORTING MEASURES.—

14 “(i) IN GENERAL.—The Secretary, in
15 consultation with the Secretary of Labor,
16 shall develop State reporting measures that
17 identify improvements in the skills, train-
18 ing, education, or work experience of mem-
19 bers of households participating in the sup-
20 plemental nutrition assistance program.

21 “(ii) REQUIREMENTS.—Measures
22 shall—

23 “(I) be based on common meas-
24 ures of performance for Federal work-
25 force training programs; and

1 “(II) include additional indicators
2 that reflect the challenges facing the
3 types of members of households par-
4 ticipating in the supplemental nutri-
5 tion assistance program who partici-
6 pate in a specific employment and
7 training component.

8 “(iii) STATE REQUIREMENTS.—The
9 Secretary shall require that each State em-
10 ployment and training plan submitted
11 under section 11(e)(19) identifies appro-
12 priate reporting measures for each pro-
13 posed component that serves a threshold
14 number of participants determined by the
15 Secretary of at least 100 people a year.

16 “(iv) INCLUSIONS.—Reporting meas-
17 ures described in clause (iii) may include—

18 “(I) the percentage and number
19 of program participants who received
20 employment and training services and
21 are in unsubsidized employment sub-
22 sequent to the receipt of those serv-
23 ices;

24 “(II) the percentage and number
25 of program participants who obtain a

1 recognized credential, including a reg-
2 istered apprenticeship, or a regular
3 secondary school diploma or its recog-
4 nized equivalent, while participating
5 in, or within 1 year after receiving,
6 employment and training services;

7 “(III) the percentage and num-
8 ber of program participants who are
9 in an education or training program
10 that is intended to lead to a recog-
11 nized credential, including a registered
12 apprenticeship or on-the-job training
13 program, a regular secondary school
14 diploma or its recognized equivalent,
15 or unsubsidized employment;

16 “(IV) subject to terms and condi-
17 tions established by the Secretary,
18 measures developed by each State
19 agency to assess the skills acquisition
20 of employment and training program
21 participants that reflect the goals of
22 the specific employment and training
23 program components of the State
24 agency, which may include, at a min-
25 imum—

1 “(aa) the percentage and
2 number of program participants
3 who are meeting program re-
4 quirements in each component of
5 the education and training pro-
6 gram of the State agency;

7 “(bb) the percentage and
8 number of program participants
9 who are gaining skills likely to
10 lead to employment as measured
11 through testing, quantitative or
12 qualitative assessment, or other
13 method; and

14 “(cc) the percentage and
15 number of program participants
16 who do not comply with employ-
17 ment and training requirements
18 and who are ineligible under sec-
19 tion 6(b); and

20 “(V) other indicators approved
21 by the Secretary.

22 “(C) OVERSIGHT OF STATE EMPLOYMENT
23 AND TRAINING ACTIVITIES.—The Secretary
24 shall assess State employment and training pro-
25 grams on a periodic basis to ensure—

1 “(i) compliance with Federal employ-
2 ment and training program rules and regu-
3 lations;

4 “(ii) that program activities are ap-
5 propriate to meet the needs of the individ-
6 uals referred by the State agency to an
7 employment and training program compo-
8 nent;

9 “(iii) that reporting measures are ap-
10 propriate to identify improvements in
11 skills, training, work and experience for
12 participants in an employment and train-
13 ing program component; and

14 “(iv) for States receiving additional
15 allocations under paragraph (1)(E), any
16 information the Secretary may require to
17 evaluate the compliance of the State agen-
18 cy with paragraph (1), which may in-
19 clude—

20 “(I) a report for each fiscal year
21 of the number of individuals in the
22 State who meet the conditions of
23 paragraph (1)(E)(ii), the number of
24 individuals the State agency offers a
25 position in a program described in

1 subparagraph (B) or (C) of section
2 6(o)(2), and the number who partici-
3 pate in such a program;

4 “(II) a description of the types of
5 employment and training programs
6 the State agency uses to comply with
7 paragraph (1)(E) and the availability
8 of those programs throughout the
9 State; and

10 “(III) any additional information
11 the Secretary determines to be appro-
12 priate.

13 “(D) STATE REPORT.—Each State agency
14 shall annually prepare and submit to the Sec-
15 retary a report on the State employment and
16 training program that includes, using measures
17 identified under subparagraph (B), the numbers
18 of supplemental nutrition assistance program
19 participants who have gained skills, training,
20 work, or experience that will increase the ability
21 of the participants to obtain regular employ-
22 ment.

23 “(E) MODIFICATIONS TO THE STATE EM-
24 PLOYMENT AND TRAINING PLAN.—Subject to
25 terms and conditions established by the Sec-

1 retary, if the Secretary determines that the per-
2 formance of a State agency with respect to em-
3 ployment and training outcomes is inadequate,
4 the Secretary may require the State agency to
5 make modifications to the State employment
6 and training plan to improve the outcomes.

7 “(F) PERIODIC EVALUATION.—Subject to
8 terms and conditions established by the Sec-
9 retary, not later than October 1, 2016, and not
10 less frequently than once every 5 years there-
11 after, the Secretary shall conduct a study to re-
12 view existing practice and research to identify
13 employment and training program components
14 and practices that—

15 “(i) effectively assist members of
16 households participating in the supple-
17 mental nutrition assistance program in
18 gaining skills, training, work, or experience
19 that will increase the ability of the partici-
20 pants to obtain regular employment; and

21 “(ii) are best integrated with state-
22 wide workforce development systems.”.

23 (b) CONFORMING AMENDMENTS.—

24 (1) Section 5 of the Food and Nutrition Act of
25 2008 (7 U.S.C. 2014) is amended—

1 (A) in subsection (d)(14), by inserting “or
2 a pilot project under section 16(h)(1)(F)” after
3 “6(d)(4)(I)”;

4 (B) in subsection (e)(3)(B)(iii), by insert-
5 ing “or a pilot project under section
6 16(h)(1)(F)” after “6(d)(4)”; and

7 (C) in subsection (g)(3), in the first sen-
8 tence, by inserting “or a pilot project under sec-
9 tion 16(h)(1)(F)” after “6(d)”.

10 (2) Section 16(h) of the Food and Nutrition
11 Act of 2008 (7 U.S.C. 2025(h)) is amended—

12 (A) in paragraph (3), by inserting “or a
13 pilot project under paragraph (1)(F)” after
14 “6(d)(4)”; and

15 (B) in paragraph (4), by inserting “or a
16 pilot project under paragraph (1)(F)” after
17 “6(d)(4)”.

18 (3) Section 17(b)(1)(B)(iv)(III)(hh) of the Food
19 and Nutrition Act of 2008 (7 U.S.C.
20 2026(b)(1)(B)(iv)(III)(hh)) is amended by inserting
21 “(h)(1)(F),” after “(g),”.

22 (c) APPLICATION DATE.—

23 (1) IN GENERAL.—The amendments made by
24 this section (other than the amendments made by

1 subsection (a)(2)) shall apply beginning on the date
2 of enactment of this Act.

3 (2) PROCESS FOR SELECTING PILOT PRO-
4 GRAMS.—

5 (A) IN GENERAL.—Not later than 180
6 days after the date of enactment of this Act,
7 the Secretary shall—

8 (i) develop and publish the process for
9 selecting pilot projects under section
10 16(h)(1)(F) of the Food and Nutrition Act
11 of 2008 (as added by subsection
12 (a)(1)(C)); and

13 (ii) issue such request for proposals
14 for the independent evaluation as is deter-
15 mined appropriate by the Secretary.

16 (B) APPLICATION.—The Secretary shall
17 begin considering proposals not earlier than 90
18 days after the date on which the Secretary com-
19 pletes the actions described in subparagraph
20 (A).

21 (C) SELECTION.—Not later than 180 days
22 after the date on which the Secretary completes
23 the actions described in subparagraph (A), the
24 Secretary shall select pilot projects from the ap-

1 plications submitted in response to the request
2 for proposals issued under subparagraph (A).

3 (3) MONITORING OF EMPLOYMENT AND TRAIN-
4 ING PROGRAMS.—

5 (A) IN GENERAL.—Not later than 18
6 months after the date of enactment of this Act,
7 the Secretary shall issue interim final regula-
8 tions implementing the amendments made by
9 subsection (a)(2).

10 (B) STATE ACTION.—States shall include
11 reporting measures required under section
12 16(h)(5) of the Food and Nutrition Act of 2008
13 (as amended by subsection (a)(2)) in the em-
14 ployment and training plans of the States for
15 the first full fiscal year that begins not earlier
16 than 180 days after the date that the regula-
17 tions described in subparagraph (A) are pub-
18 lished.

19 **SEC. 4023. COOPERATION WITH PROGRAM RESEARCH AND**
20 **EVALUATION.**

21 Section 17 of the Food and Nutrition Act of 2008
22 (7 U.S.C. 2026) is amended by adding at the end the fol-
23 lowing:

24 “(1) COOPERATION WITH PROGRAM RESEARCH AND
25 EVALUATION.—Subject to the requirements of this Act,

1 including protections under section 11(e)(8), States, State
2 agencies, local agencies, institutions, facilities such as data
3 consortiums, and contractors participating in programs
4 authorized under this Act shall—

5 “(1) cooperate with officials and contractors
6 acting on behalf of the Secretary in the conduct of
7 evaluations and studies under this Act; and

8 “(2) submit information at such time and in
9 such manner as the Secretary may require.”.

10 **SEC. 4024. AUTHORIZATION OF APPROPRIATIONS.**

11 Section 18(a)(1) of the Food and Nutrition Act of
12 2008 (7 U.S.C. 2027(a)(1)) is amended in the first sen-
13 tence by striking “2012” and inserting “2018”.

14 **SEC. 4025. REVIEW, REPORT, AND REGULATION OF CASH**

15 **NUTRITION ASSISTANCE PROGRAM BENEFITS**

16 **PROVIDED IN PUERTO RICO.**

17 Section 19 of the Food and Nutrition Act of 2008
18 (7 U.S.C. 2028) is amended by adding at the end the fol-
19 lowing:

20 “(e) REVIEW, REPORT, AND REGULATION OF CASH
21 NUTRITION ASSISTANCE PROGRAM BENEFITS PROVIDED
22 IN PUERTO RICO.—

23 “(1) REVIEW.—The Secretary, in consultation
24 with the Secretary of Health and Human Services,
25 shall carry out a review of the provision of nutrition

1 assistance in Puerto Rico in the form of cash bene-
2 fits under this section that shall include—

3 “(A) an examination of the history of and
4 purpose for distribution of a portion of monthly
5 benefits in the form of cash;

6 “(B) an examination of current barriers to
7 the redemption of non-cash benefits by current
8 program participants and retailers;

9 “(C) an examination of current usage of
10 cash benefits for the purchase of non-food and
11 other prohibited items;

12 “(D) an identification and assessment of
13 potential adverse effects of the discontinuation
14 of a portion of benefits in the form of cash for
15 program participants and retailers; and

16 “(E) an examination of such other factors
17 as the Secretary determines to be relevant.

18 “(2) REPORT.—Not later than 18 months after
19 the date of enactment of this Act, the Secretary
20 shall submit to the Committee on Agriculture of the
21 House of Representatives and the Committee on Ag-
22 riculture, Nutrition, and Forestry of the Senate, a
23 report that describes the results of the review con-
24 ducted under this subsection.

25 “(3) REGULATION.—

1 “(A) IN GENERAL.—Except as provided in
2 subparagraph (B), and notwithstanding the sec-
3 ond sentence of subsection (b)(1)(B)(i), the
4 Secretary shall disapprove any plan submitted
5 pursuant to subsection (b)(1)(A)—

6 “(i) for fiscal year 2017 that provides
7 for the distribution of more than 20 per-
8 cent of the nutrition assistance benefit of
9 a participant in the form of cash;

10 “(ii) for fiscal year 2018 that provides
11 for the distribution of more than 15 per-
12 cent of the nutrition assistance benefit of
13 a participant in the form of cash;

14 “(iii) for fiscal year 2019 that pro-
15 vides for the distribution of more than 10
16 percent of the nutrition assistance benefit
17 of a participant in the form of cash;

18 “(iv) for fiscal year 2020 that pro-
19 vides for the distribution of more than 5
20 percent of the nutrition assistance benefit
21 of a participant in the form of cash; and

22 “(v) for fiscal year 2021 that provides
23 for the distribution of any portion of the
24 nutrition assistance benefit of a participant
25 in the form of cash.

1 “(B) EXCEPTION.—Notwithstanding sub-
2 paragraph (A), the Secretary, informed by the
3 report required under paragraph (2), may ap-
4 prove a plan that exempts participants or cat-
5 egories of participants if the Secretary deter-
6 mines that discontinuation of benefits in the
7 form of cash is likely to have significant adverse
8 effects.

9 “(4) FUNDING.—Out of any funds made avail-
10 able under section 18 for fiscal year 2014, the Sec-
11 retary shall make available to carry out the review
12 and report described in paragraphs (1) and (2)
13 \$1,000,000, to remain available until expended.”.

14 **SEC. 4026. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.**

15 Section 25 of the Food and Nutrition Act of 2008
16 (7 U.S.C. 2034) is amended—

17 (1) in subsection (a)—

18 (A) in paragraph (1)(B)—

19 (i) in clause (i)—

20 (I) in subclause (I), by inserting
21 after “individuals” the following:
22 “through food distribution, commu-
23 nity outreach to assist in participation
24 in Federally assisted nutrition pro-

1 grams, or improving access to food as
2 part of a comprehensive service;”; and
3 (II) in subclause (III), by insert-
4 ing “food access,” after “food;”; and
5 (ii) in clause (ii), by striking sub-
6 clause (I) and inserting the following:

7 “(I) equipment necessary for the
8 efficient operation of a project;”; and
9 (B) by striking paragraphs (2) and (3) and
10 inserting the following:

11 “(2) GLEANER.—The term ‘gleaner’ means an
12 entity that—

13 “(A) collects edible, surplus food that
14 would be thrown away and distributes the food
15 to agencies or nonprofit organizations that feed
16 the hungry; or

17 “(B) harvests for free distribution to the
18 needy, or for donation to agencies or nonprofit
19 organizations for ultimate distribution to the
20 needy, an agricultural crop that has been do-
21 nated by the owner of the crop.

22 “(3) HUNGER-FREE COMMUNITIES GOAL.—The
23 term ‘hunger-free communities goal’ means any of
24 the 14 goals described in House Concurrent Resolu-

1 tion 302, 102nd Congress, agreed to October 5,
2 1992.”;

3 (2) in subsection (b)(2)—

4 (A) in subparagraph (A), by striking
5 “and” at the end;

6 (B) in subparagraph (B), by striking “fis-
7 cal year 2008 and each fiscal year thereafter.”
8 and inserting the following: “each of fiscal
9 years 2008 through 2014; and

10 “(C) \$9,000,000 for fiscal year 2015 and
11 each fiscal year thereafter.”;

12 (3) in subsection (c)—

13 (A) in the matter preceding paragraph (1),
14 by striking “private nonprofit entity” and in-
15 serting “public food program service provider, a
16 tribal organization, or a private nonprofit enti-
17 ty, including gleaners,”;

18 (B) in paragraph (1)—

19 (i) in subparagraph (A), by striking
20 “or” after the semicolon at the end;

21 (ii) in subparagraph (B), by inserting
22 “or” after the semicolon at the end; and

23 (iii) by adding at the end the fol-
24 lowing:

1 “(C) efforts to reduce food insecurity in
2 the community, including food distribution, im-
3 proving access to services, or coordinating serv-
4 ices and programs;”;

5 (C) in paragraph (2), by striking “and”
6 after the semicolon at the end;

7 (D) in paragraph (3), by striking the pe-
8 riod at the end and inserting “; and”; and

9 (E) by adding at the end the following:

10 “(4) collaborate with 1 or more local partner
11 organizations to achieve at least 1 hunger-free com-
12 munities goal.”;

13 (4) in subsection (d)—

14 (A) in paragraph (3), by striking “or”
15 after the semicolon at the end;

16 (B) in paragraph (4), by striking the pe-
17 riod at the end and inserting “; or”; and

18 (C) by adding at the end the following:

19 “(5) develop new resources and strategies to
20 help reduce food insecurity in the community and
21 prevent food insecurity in the future by—

22 “(A) developing creative food resources;

23 “(B) coordinating food services with park
24 and recreation programs and other community-
25 based outlets to reduce barriers to access; or

1 “(C) creating nutrition education programs
2 for at- risk populations to enhance food-pur-
3 chasing and food- preparation skills and to
4 heighten awareness of the connection between
5 diet and health.”;

6 (5) in subsection (f)(2), by striking “3 years”
7 and inserting “5 years”; and

8 (6) by striking subsections (h) and (i) and in-
9 serting the following:

10 “(h) REPORTS TO CONGRESS.—Not later than Sep-
11 tember 30, 2014, and each year thereafter, the Secretary
12 shall submit to Congress a report that describes each
13 grant made under this section, including—

14 “(1) a description of any activity funded;

15 “(2) the degree of success of each activity fund-
16 ed in achieving hunger-free community goals; and

17 “(3) the degree of success in improving the
18 long-term capacity of a community to address food
19 and agriculture problems related to hunger or access
20 to healthy food.”.

21 **SEC. 4027. EMERGENCY FOOD ASSISTANCE.**

22 (a) PURCHASE OF COMMODITIES.—Section 27(a) of
23 the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a))
24 is amended—

1 (1) in paragraph (1), by striking “2008
2 through 2012” and inserting “2014 through 2018”;

3 (2) in paragraph (2)—

4 (A) in subparagraph (B), by striking
5 “and” at the end;

6 (B) in subparagraph (C)—

7 (i) by striking “2012” and inserting
8 “2018”; and

9 (ii) by striking the period at the end
10 and inserting a semicolon; and

11 (C) by adding at the end the following:

12 “(D) for each of fiscal years 2015 through
13 2018, the sum obtained by adding the total dol-
14 lar amount of commodities specified in subpara-
15 graph (C) and—

16 “(i) for fiscal year 2015, \$50,000,000;

17 “(ii) for fiscal year 2016,
18 \$40,000,000;

19 “(iii) for fiscal year 2017,
20 \$20,000,000; and

21 “(iv) for fiscal year 2018,
22 \$15,000,000; and

23 “(E) for fiscal year 2019 and each subse-
24 quent fiscal year, the total dollar amount of
25 commodities specified in subparagraph (D)(iv)

1 adjusted by the percentage by which the thrifty
2 food plan has been adjusted under section
3 3(u)(4) to reflect changes between June 30,
4 2017, and June 30 of the immediately pre-
5 ceding fiscal year.”; and

6 (3) by adding at the end the following:

7 “(3) FUNDS AVAILABILITY.—For purposes of
8 the funds described in this subsection, the Secretary
9 shall—

10 “(A) make the funds available for 2 fiscal
11 years; and

12 “(B) allow States to carry over unex-
13 pended balances to the next fiscal year pursu-
14 ant to such terms and conditions as are deter-
15 mined by the Secretary.”.

16 (b) EMERGENCY FOOD PROGRAM INFRASTRUCTURE
17 GRANTS.—Section 209(d) of the Emergency Food Assist-
18 ance Act of 1983 (7 U.S.C. 7511a(d)) is amended by
19 striking “2012” and inserting “2018”.

20 **SEC. 4028. NUTRITION EDUCATION.**

21 Section 28(b) of the Food and Nutrition Act of 2008
22 (7 U.S.C. 2036a(b)) is amended by inserting “and phys-
23 ical activity” after “healthy food choices”.

1 **SEC. 4029. RETAIL FOOD STORE AND RECIPIENT TRAF-**
2 **FICKING.**

3 The Food and Nutrition Act of 2008 (7 U.S.C. 2011
4 et seq.) is amended by adding at the end the following:

5 **“SEC. 29. RETAIL FOOD STORE AND RECIPIENT TRAF-**
6 **FICKING.**

7 “(a) PURPOSE.—The purpose of this section is to
8 provide the Department of Agriculture with additional re-
9 sources to prevent trafficking in violation of this Act by
10 strengthening recipient and retail food store program in-
11 tegrity.

12 “(b) USE OF FUNDS.—

13 “(1) IN GENERAL.—Additional funds are pro-
14 vided under this section to supplement the retail
15 food store and recipient integrity activities of the
16 Department.

17 “(2) INFORMATION TECHNOLOGIES.—The Sec-
18 retary shall use an appropriate amount of the funds
19 provided under this section to employ information
20 technologies known as data mining and data
21 warehousing and other available information tech-
22 nologies to administer the supplemental nutrition as-
23 sistance program and enforce regulations promul-
24 gated under section 4(c).

25 “(c) FUNDING.—

1 “(1) AUTHORIZATION OF APPROPRIATIONS.—

2 There is authorized to be appropriated to carry out
3 this section \$5,000,000 for each of fiscal years 2014
4 through 2018.

5 “(2) MANDATORY FUNDING.—

6 “(A) IN GENERAL.—Out of any funds in
7 the Treasury not otherwise appropriated, the
8 Secretary of the Treasury shall transfer to the
9 Secretary to carry out this section not less than
10 \$15,000,000 for fiscal year 2014, to remain
11 available until expended.

12 “(B) RECEIPT AND ACCEPTANCE.—The
13 Secretary shall be entitled to receive, shall ac-
14 cept, and shall use to carry out this section the
15 funds transferred under subparagraph (A),
16 without further appropriation.

17 “(C) MAINTENANCE OF FUNDING.—The
18 funding provided under subparagraph (A) shall
19 supplement (and not supplant) other Federal
20 funding for programs carried out under this
21 Act.”.

22 **SEC. 4030. TECHNICAL AND CONFORMING AMENDMENTS.**

23 (a) Section 3 of the Food and Nutrition Act of 2008
24 (7 U.S.C. 2012) is amended—

1 (1) in subsection (g), by striking “coupon,” the
2 last place it appears and inserting “coupon”;

3 (2) in subsection (k)(7), by striking “or are”
4 and inserting “and”;

5 (3) by striking subsection (l);

6 (4) by redesignating subsections (m) through
7 (t) as subsections (l) through (s), respectively; and

8 (5) by inserting after subsection (s) (as so re-
9 designated) the following:

10 “(t) ‘Supplemental nutrition assistance program’
11 means the program operated pursuant to this Act.”.

12 (b) Section 4(a) of the Food and Nutrition Act of
13 2008 (7 U.S.C. 2013(a)) is amended in the last sentence
14 by striking “benefits” and inserting “Benefits”.

15 (c) Section 5 of the Food and Nutrition Act of 2008
16 (7 U.S.C. 2014) is amended—

17 (1) in the last sentence of subsection (i)(2)(D),
18 by striking “section 13(b)(2)” and inserting “section
19 13(b)”;

20 (2) in subsection (k)(4)(A), by striking “para-
21 graph (2)(H)” and inserting “paragraph (2)(G)”.

22 (d) Section 6(d)(4) of the Food and Nutrition Act
23 of 2008 (7 U.S.C. 2015(d)(4)) is amended in subpara-
24 graphs (B)(vii) and (F)(iii) by indenting both clauses ap-
25 propriately.

1 (e) Section 7(h) of the Food and Nutrition Act of
2 2008 (7 U.S.C. 2016(h)) is amended by redesignating the
3 second paragraph (12) (relating to interchange fees) as
4 paragraph (13).

5 (f) Section 9(a) of the Food and Nutrition Act of
6 2008 (7 U.S.C. 2018(a)) is amended by indenting para-
7 graph (3) appropriately.

8 (g) Section 12 of the Food and Nutrition Act of 2008
9 (7 U.S.C. 2021) is amended—

10 (1) in subsection (b)(3)(C), by striking “civil
11 money penalties” and inserting “civil penalties”; and

12 (2) in subsection (g)(1), by striking “(7 U.S.C.
13 1786)” and inserting “(42 U.S.C. 1786)”.

14 (h) Section 15(b)(1) of the Food and Nutrition Act
15 of 2008 (7 U.S.C. 2024(b)(1)) is amended in the first sen-
16 tence by striking “an benefit” both places it appears and
17 inserting “a benefit”.

18 (i) Section 16(a) of the Food and Nutrition Act of
19 2008 (7 U.S.C. 2025(a)) is amended in the proviso fol-
20 lowing paragraph (8) by striking “as amended.”.

21 (j) Section 18(e) of the Food and Nutrition Act of
22 2008 (7 U.S.C. 2027(e)) is amended in the first sentence
23 by striking “sections 7(f)” and inserting “section 7(f)”.

24 (k) Section 22(b)(10)(B)(i) of the Food and Nutri-
25 tion Act of 2008 (7 U.S.C. 2031(b)(10)(B)(i)) is amended

1 in the last sentence by striking “Food benefits” and in-
2 serting “Benefits”.

3 (l) Section 26(f)(3)(C) of the Food and Nutrition Act
4 of 2008 (7 U.S.C. 2035(f)(3)(C)) is amended by striking
5 “subsection” and inserting “subsections”.

6 (m) Section 27(a)(1) of the Food and Nutrition Act
7 of 2008 (7 U.S.C. 2036(a)(1)) is amended by striking
8 “(Public Law 98–8; 7 U.S.C. 612c note)” and inserting
9 “(7 U.S.C. 7515)”.

10 (n) Section 115 of the Personal Responsibility and
11 Work Opportunity Reconciliation Act of 1996 (21 U.S.C.
12 862a) is amended—

13 (1) in subsection (a)(2), by striking “food
14 stamp program (as defined in section 3(l) of the
15 Food Stamp Act of 1977) or any State program car-
16 ried out under the Food Stamp Act of 1977” and
17 inserting “supplemental nutrition assistance pro-
18 gram (as defined in section 3 of the Food and Nutri-
19 tion Act of 2008 (7 U.S.C. 2012)) or any State pro-
20 gram carried out under that Act”;

21 (2) in subsection (b)(2)—

22 (A) in the paragraph heading, by striking
23 “THE FOOD STAMP ACT OF 1977” and inserting
24 “THE FOOD AND NUTRITION ACT OF 2008”; and

1 (B) by striking “food stamp program (as
2 defined in section 3(l) of the Food Stamp Act
3 of 1977), or any State program carried out
4 under the Food Stamp Act of 1977” and in-
5 serting “supplemental nutrition assistance pro-
6 gram (as defined in section 3 of the Food and
7 Nutrition Act of 2008 (7 U.S.C. 2012)), or any
8 State program carried out under that Act”; and
9 (3) in subsection (e)(2), by striking “section
10 3(s) of the Food Stamp Act of 1977, when referring
11 to the food stamp program (as defined in section
12 3(l) of the Food Stamp Act of 1977) or any State
13 program carried out under the Food Stamp Act of
14 1977” and inserting “section 3 of the Food and Nu-
15 trition Act of 2008 (7 U.S.C. 2012), when referring
16 to the supplemental nutrition assistance program (as
17 defined in that section) or any State program car-
18 ried out under that Act”.

19 (o) Section 3803(e)(2)(C)(vii) of title 31 of the
20 United States Code is amended by striking “section 3(l)”
21 and inserting “section 3”.

22 (p) Section 453(j)(10) of the Social Security Act (42
23 U.S.C. 653(j)(10)) is amended in the paragraph heading
24 by striking “FOOD STAMP PROGRAMS” and inserting “SUP-

1 PLEMENTAL NUTRITION ASSISTANCE PROGRAM BENE-
2 FITS”.

3 (q) Section 1137 of the Social Security Act (42
4 U.S.C. 1320b–7)—

5 (1) in subsection (a)(5)(B), by striking “food
6 stamp” and inserting “supplemental nutrition assist-
7 ance”; and

8 (2) in subsection (b)(4), by striking “food
9 stamp program under the Food Stamp Act of 1977”
10 and inserting “supplemental nutrition assistance
11 program established under the Food and Nutrition
12 Act of 2008 (7 U.S.C. 2011 et seq.)”.

13 (r) Section 1631(n) of the Social Security Act (42
14 U.S.C. 1383) is amended in the subsection heading by
15 striking “FOOD STAMP” and inserting “SUPPLEMENTAL
16 NUTRITION ASSISTANCE”.

17 (s) Section 509 of the Older Americans Act of 1965
18 (42 U.S.C. 3056g) is amended in the section heading by
19 striking “**FOOD STAMP PROGRAMS**” and inserting
20 “**SUPPLEMENTAL NUTRITION ASSISTANCE PRO-**
21 **GRAMS**”.

22 (t) Section 4(a) of the Agriculture and Consumer
23 Protection Act of 1973 (7 U.S.C. 612c note; Public Law
24 93–86) is amended by striking “Food Stamp Act of 1977”
25 and inserting “Food and Nutrition Act of 2008”.

1 (u) Section 5 of the Agriculture and Consumer Pro-
2 tection Act of 1973 (7 U.S.C. 612c note; Public Law 93–
3 86) is amended—

4 (1) in subsection (h)(1), by striking “food
5 stamps” and inserting “the supplemental nutrition
6 assistance program”;

7 (2) in subsection (i)(1), by striking “food
8 stamps provided under the Food Stamp Act of
9 1977” and inserting “supplemental nutrition assist-
10 ance benefits provided under the Food and Nutrition
11 Act of 2008”; and

12 (3) in subsection (l)(2)(B), by striking “Food
13 Stamp Act of 1977” and inserting “Food and Nutri-
14 tion Act of 2008”.

15 (v) Section 4115(c)(2)(H) of the Food, Conservation,
16 and Energy Act of 2008 (Public Law 110–246; 122 Stat.
17 1871) is amended by striking “531” and inserting “454”.

18 **SEC. 4031. COMMONWEALTH OF THE NORTHERN MARIANA**

19 **ISLANDS PILOT PROGRAM.**

20 (a) STUDY.—

21 (1) IN GENERAL.—Prior to establishing the
22 pilot program under subsection (b), the Secretary
23 shall conduct a study to be completed not later than
24 2 years after the date of enactment of this Act to
25 assess—

1 (A) the capabilities of the Commonwealth
2 of the Northern Mariana Islands to operate the
3 supplemental nutrition assistance program es-
4 tablished under the Food and Nutrition Act of
5 2008 (7 U.S.C. 2011 et seq.) in a similar man-
6 ner as the program is operated in the States (as
7 defined in section 3 of that Act (7 U.S.C.
8 2012)); and

9 (B) alternative models of the supplemental
10 nutrition assistance program operation and ben-
11 efit delivery that best meet the nutrition assist-
12 ance needs of the Commonwealth of the North-
13 ern Mariana Islands.

14 (2) SCOPE.—The study conducted under para-
15 graph (1)(A) shall assess the capability of the Com-
16 monwealth of the Northern Mariana Islands to fulfill
17 the responsibilities of a State agency (as defined in
18 section 3 of the Food and Nutrition Act of 2008 (7
19 U.S.C. 2012)), including—

20 (A) extending and limiting participation to
21 eligible households, as required by sections 5
22 and 6 of that Act (7 U.S.C. 2014, 2015);

23 (B) issuing benefits through EBT cards,
24 as required by section 7 of that Act (7 U.S.C.
25 2016);

1 (C) maintaining the integrity of the pro-
2 gram, including operation of a quality control
3 system, as required by section 16(c) of that Act
4 (7 U.S.C. 2025(c));

5 (D) implementing work requirements, in-
6 cluding operating an employment and training
7 program, as required by section 6(d) of that
8 Act (7 U.S.C. 2015(d)); and

9 (E) paying a share of administrative costs
10 with non-Federal funds, as required by section
11 16(a) of that Act (7 U.S.C. 2016(a)).

12 (b) ESTABLISHMENT.—If the Secretary determines
13 that a pilot program is feasible, the Secretary shall estab-
14 lish a pilot program for the Commonwealth of the North-
15 ern Mariana Islands to operate the supplemental nutrition
16 assistance program in the same manner in which the pro-
17 gram is operated in the States.

18 (c) SCOPE.—The Secretary shall use the information
19 obtained from the study conducted under subsection (a)
20 to establish the scope of the pilot program established
21 under subsection (b).

22 (d) REPORT.—Not later than June 30, 2019, the
23 Secretary shall submit to the Committee on Agriculture
24 of the House of Representatives and the Committee on
25 Agriculture, Nutrition, and Forestry of the Senate a re-

1 port on the pilot program carried out under this section,
2 including an analysis of the feasibility of operating the
3 supplemental nutrition assistance program in the Com-
4 monwealth of the Northern Mariana Islands in the same
5 manner in which the program is operated in the States.

6 (e) FUNDING.—

7 (1) STUDY.—Of the funds made available under
8 section 18(a)(1) of the Food and Nutrition Act of
9 2008 (7 U.S.C. 2027(a)(1)), the Secretary may use
10 to conduct the study described in subsection (a) not
11 more than \$1,000,000 for each of fiscal years 2014
12 and 2015.

13 (2) PILOT PROGRAM.—

14 (A) IN GENERAL.—Except as provided in
15 subparagraph (B), of the funds made available
16 under section 18(a)(1) of the Food and Nutri-
17 tion Act of 2008 (7 U.S.C. 2027(a)(1)), the
18 Secretary may use to establish and carry out
19 the pilot program under subsection (b), includ-
20 ing the Federal costs for providing technical as-
21 sistance to the Commonwealth of the Northern
22 Mariana Islands, authorizing and monitoring
23 retail food stores, and assessing pilot oper-
24 ations, not more than—

1 (i) \$13,500,000 for fiscal year 2016;

2 and

3 (ii) \$8,500,000 for each of fiscal years

4 2017 and 2018.

5 (B) EXCEPTION.—If the Secretary deter-
6 mines that a pilot program described in sub-
7 section (b) is not feasible, the Secretary shall
8 provide to the Commonwealth of the Northern
9 Mariana Islands any unspent funds described in
10 subparagraph (A), which shall—

11 (i) be made available for obligation
12 under the Commonwealth of the Northern
13 Mariana Islands nutrition assistance pro-
14 gram block grant in addition to any other
15 funds made available for that grant; and

16 (ii) remain available until expended.

17 **SEC. 4032. ANNUAL STATE REPORT ON VERIFICATION OF**
18 **SNAP PARTICIPATION.**

19 (a) ANNUAL REPORT.—Not later than 1 year after
20 the date specified by the Secretary during the 180-day pe-
21 riod beginning on the date of enactment of this Act, and
22 annually thereafter, each State agency that carries out the
23 supplemental nutrition assistance program established
24 under the Food and Nutrition Act of 2008 (7 U.S.C. 2011
25 et seq.) shall submit to the Secretary a report containing

1 sufficient information for the Secretary to determine
2 whether the State agency has, for the most recently con-
3 cluded fiscal year preceding that annual date, verified that
4 the State agency in that fiscal year—

5 (1) did not issue benefits to a deceased indi-
6 vidual; and

7 (2) did not issue benefits to an individual who
8 had been permanently disqualified from receiving
9 benefits.

10 (b) PENALTY FOR NONCOMPLIANCE.—For any fiscal
11 year for which a State agency fails to comply with sub-
12 section (a), the Secretary shall impose a penalty that in-
13 cludes a reduction of up to 50 percent of the amount that
14 would be otherwise payable to the State agency under sec-
15 tion 16(a) of the Food and Nutrition Act of 2008 (7
16 U.S.C. 2025(a)) with respect to that fiscal year.

17 (c) REPORT OF PILOT PROGRAM TO TEST PREVEN-
18 TION OF DUPLICATE PARTICIPATION.—Not later than 90
19 days after the completion in multiple States of a tem-
20 porary pilot program to test the detection and prevention
21 of duplicate participation by beneficiaries of the supple-
22 mental nutrition assistance program established under the
23 Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.),
24 the Secretary shall submit to the Committee on Agri-
25 culture of the House of Representatives and the Com-

1 mittee on Agriculture, Nutrition, and Forestry of the Sen-
2 ate a report assessing the feasibility, effectiveness, and
3 cost for the expansion of the pilot program nationwide.

4 **SEC. 4033. SERVICE OF TRADITIONAL FOODS IN PUBLIC FA-**
5 **CILITIES.**

6 (a) PURPOSES.—The purposes of this section are—

7 (1) to provide access to traditional foods in food
8 service programs;

9 (2) to encourage increased consumption of tra-
10 ditional foods to decrease health disparities among
11 Indians, particularly Alaska Natives; and

12 (3) to provide alternative food options for food
13 service programs.

14 (b) DEFINITIONS.—In this section:

15 (1) ALASKA NATIVE.—The term “Alaska Na-
16 tive” means a person who is a member of any Native
17 village, Village Corporation, or Regional Corporation
18 (as those terms are defined in section 3 of the Alas-
19 ka Native Claims Settlement Act (43 U.S.C. 1602)).

20 (2) COMMISSIONER.—The term “Commis-
21 sioner” means the Commissioner of Food and
22 Drugs.

23 (3) FOOD SERVICE PROGRAM.—The term “food
24 service program” includes—

1 (A) food service at residential child care
2 facilities that have a license from an appro-
3 priate State agency;

4 (B) any child nutrition program (as that
5 term is defined in section 25(b) of the Richard
6 B. Russell National School Lunch Act (42
7 U.S.C. 1769f(b));

8 (C) food service at hospitals, clinics, and
9 long-term care facilities; and

10 (D) senior meal programs.

11 (4) INDIAN; INDIAN TRIBE.—The terms “In-
12 dian” and “Indian tribe” have the meanings given
13 those terms in section 4 of the Indian Self-Deter-
14 mination and Education Assistance Act (25 U.S.C.
15 450b).

16 (5) TRADITIONAL FOOD.—

17 (A) IN GENERAL.—The term “traditional
18 food” means food that has traditionally been
19 prepared and consumed by an Indian tribe.

20 (B) INCLUSIONS.—The term “traditional
21 food” includes—

22 (i) wild game meat;

23 (ii) fish;

24 (iii) seafood;

25 (iv) marine mammals;

1 (v) plants; and

2 (vi) berries.

3 (6) TRIBAL ORGANIZATION.—The term “tribal
4 organization” has the meaning given the term in
5 section 4 of the Indian Self-Determination and Edu-
6 cation Assistance Act (25 U.S.C. 450b).

7 (c) PROGRAM.—The Secretary and the Commissioner
8 shall allow the donation to and serving of traditional food
9 through food service programs at public facilities and non-
10 profit facilities, including facilities operated by Indian
11 tribes and facilities operated by tribal organizations, that
12 primarily serve Indians if the operator of the food service
13 program—

14 (1) ensures that the food is received whole, gut-
15 ted, gilled, as quarters, or as a roast, without fur-
16 ther processing;

17 (2) makes a reasonable determination that—

18 (A) the animal was not diseased;

19 (B) the food was butchered, dressed, trans-
20 ported, and stored to prevent contamination,
21 undesirable microbial growth, or deterioration;
22 and

23 (C) the food will not cause a significant
24 health hazard or potential for human illness;

1 (3) carries out any further preparation or proc-
2 essing of the food at a different time or in a dif-
3 ferent space from the preparation or processing of
4 other food for the applicable program to prevent
5 cross-contamination;

6 (4) cleans and sanitizes food-contact surfaces of
7 equipment and utensils after processing the tradi-
8 tional food;

9 (5) labels donated traditional food with the
10 name of the food;

11 (6) stores the traditional food separately from
12 other food for the applicable program, including
13 through storage in a separate freezer or refrigerator
14 or in a separate compartment or shelf in the freezer
15 or refrigerator;

16 (7) follows Federal, State, local, county, tribal,
17 or other non-Federal law regarding the safe prepara-
18 tion and service of food in public or nonprofit facili-
19 ties; and

20 (8) follows other such criteria as established by
21 the Secretary and Commissioner.

22 (d) LIABILITY.—

23 (1) IN GENERAL.—The United States, an In-
24 dian tribe, and a tribal organization shall not be lia-
25 ble in any civil action for any damage, injury, or

1 death caused to any person by the donation to or
2 serving of traditional foods through food service pro-
3 grams.

4 (2) RULE OF CONSTRUCTION.—Nothing in
5 paragraph (1) alters any liability or other obligation
6 of the United States under the Indian Self-Deter-
7 mination and Education Assistance Act (25 U.S.C.
8 1450 et seq.).

9 **Subtitle B—Commodity** 10 **Distribution Programs**

11 **SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.**

12 Section 4(a) of the Agriculture and Consumer Protec-
13 tion Act of 1973 (7 U.S.C. 612c note; Public Law 93–
14 86) is amended in the first sentence by striking “2012”
15 and inserting “2018”.

16 **SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

17 Section 5 of the Agriculture and Consumer Protec-
18 tion Act of 1973 (7 U.S.C. 612c note; Public Law 93–
19 86) is amended—

20 (1) in paragraphs (1) and (2)(B) of subsection
21 (a), by striking “2012” each place it appears and in-
22 serting “2018”;

23 (2) in the first sentence of subsection (d)(2), by
24 striking “2012” and inserting “2018”;

1 (3) by striking subsection (g) and inserting the
2 following:

3 “(g) ELIGIBILITY.—Except as provided in subsection
4 (m), the States shall only provide assistance under the
5 commodity supplemental food program to low-income per-
6 sons aged 60 and older.”; and

7 (4) by adding at the end the following:

8 “(m) PHASE-OUT.—Notwithstanding any other pro-
9 vision of law, an individual who receives assistance under
10 the commodity supplemental food program on the day be-
11 fore the date of enactment of this subsection shall con-
12 tinue to receive that assistance until the date on which
13 the individual is no longer eligible for assistance under the
14 eligibility requirements for the program in effect on the
15 day before the date of enactment of this subsection.”.

16 **SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO**
17 **SPECIAL NUTRITION PROJECTS.**

18 Section 1114(a)(2)(A) of the Agriculture and Food
19 Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended in the
20 first sentence by striking “2012” and inserting “2018”.

21 **SEC. 4104. PROCESSING OF COMMODITIES.**

22 (a) IN GENERAL.—Section 17 of the Commodity Dis-
23 tribution Reform Act and WIC Amendments of 1987 (7
24 U.S.C. 612c note; Public Law 100–237) is amended—

1 (1) in the section heading, by inserting “**AND**
2 **PROCESSING**” after “**DONATIONS**”; and

3 (2) by adding at the end the following:

4 “(c) PROCESSING.—

5 “(1) IN GENERAL.—For any program included
6 under subsection (b), the Secretary may, notwith-
7 standing any other provision of Federal or State law
8 relating to the procurement of goods and services—

9 “(A) retain title to commodities delivered
10 to a processor, on behalf of a State (including
11 a State distributing agency and a recipient
12 agency), until such time as end products con-
13 taining the commodities, or similar commodities
14 as approved by the Secretary, are delivered to
15 a State distributing agency or to a recipient
16 agency; and

17 “(B) promulgate regulations to ensure ac-
18 countability for commodities provided to a proc-
19 essor for processing into end products, and to
20 facilitate processing of commodities into end
21 products for use by recipient agencies.

22 “(2) REGULATIONS.—The regulations described
23 in paragraph (1)(B) may provide that—

24 “(A) a processor that receives commodities
25 for processing into end products, or provides a

1 service with respect to the commodities or end
2 products, in accordance with the agreement of
3 the processor with a State distributing agency
4 or a recipient agency, provide to the Secretary
5 a bond or other means of financial assurance to
6 protect the value of the commodities; and

7 “(B) in the event a processor fails to de-
8 liver to a State distributing agency or a recipi-
9 ent agency an end product in conformance with
10 the processing agreement entered into under
11 this Act, the Secretary—

12 “(i) take action with respect to the
13 bond or other means of financial assurance
14 pursuant to regulations promulgated under
15 this subsection; and

16 “(ii) distribute any proceeds obtained
17 by the Secretary to 1 or more State dis-
18 tributing agencies and recipient agencies,
19 as determined appropriate by the Sec-
20 retary.”.

21 (b) DEFINITIONS.—Section 18 of the Commodity
22 Distribution Reform Act and WIC Amendments of 1987
23 (7 U.S.C. 612c note; Public Law 100–237) is amended
24 by striking paragraphs (1) and (2) and inserting the fol-
25 lowing:

1 “(1) COMMODITIES.—The term ‘commodities’
2 means agricultural commodities and their products
3 that are donated by the Secretary for use by recipi-
4 ent agencies.

5 “(2) END PRODUCT.—The term ‘end product’
6 means a food product that contains processed com-
7 modities.”.

8 (c) TECHNICAL AND CONFORMING AMENDMENTS.—
9 Section 3 of the Commodity Distribution Reform Act and
10 WIC Amendments of 1987 (7 U.S.C. 612c note; Public
11 Law 100–237) is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (2), by striking subpara-
14 graph (B) and inserting the following:

15 “(B) the program established under sec-
16 tion 4(b) of the Food and Nutrition Act of
17 2008 (7 U.S.C. 2013(b));”; and

18 (B) in paragraph (3)(D), by striking “the
19 Committee on Education and Labor” and in-
20 serting “the Committee on Education and the
21 Workforce”;

22 (2) in subsection (b)(1)(A)(ii), by striking “sec-
23 tion 32 of the Agricultural Adjustment Act (7
24 U.S.C. 601 et seq.)” and inserting “section 32 of
25 the Act of August 24, 1935 (7 U.S.C. 612c)”;

1 (3) in subsection (e)(1)(D)(iii), by striking sub-
2 clause (II) and inserting the following:

3 “(II) the program established
4 under section 4(b) of the Food and
5 Nutrition Act of 2008 (7 U.S.C.
6 2013(b));”; and

7 (4) in subsection (k), by striking “the Com-
8 mittee on Education and Labor” and inserting “the
9 Committee on Education and the Workforce”.

10 **Subtitle C—Miscellaneous**

11 **SEC. 4201. PURCHASE OF FRESH FRUITS AND VEGETABLES** 12 **FOR DISTRIBUTION TO SCHOOLS AND SERV-** 13 **ICE INSTITUTIONS.**

14 Section 10603(b) of the Farm Security and Rural In-
15 vestment Act of 2002 (7 U.S.C. 612c–4(b)) is amended
16 by striking “2012” and inserting “2018”.

17 **SEC. 4202. PILOT PROJECT FOR PROCUREMENT OF UN-** 18 **PROCESSED FRUITS AND VEGETABLES.**

19 Section 6 of the Richard B. Russell National School
20 Lunch Act (42 U.S.C. 1755) is amended by adding at the
21 end the following:

22 “(f) PILOT PROJECT FOR PROCUREMENT OF UN-
23 PROCESSED FRUITS AND VEGETABLES.—

24 “(1) IN GENERAL.—The Secretary shall con-
25 duct a pilot project under which the Secretary shall

1 facilitate the procurement of unprocessed fruits and
2 vegetables in not more than 8 States receiving funds
3 under this Act.

4 “(2) PURPOSE.—The purpose of the pilot
5 project required by this subsection is to provide se-
6 lected States flexibility for the procurement of un-
7 processed fruits and vegetables by permitting each
8 State—

9 “(A) to utilize multiple suppliers and prod-
10 ucts established and qualified by the Secretary;
11 and

12 “(B) to allow geographic preference, if de-
13 sired, in the procurement of the products under
14 the pilot project.

15 “(3) SELECTION AND PARTICIPATION.—

16 “(A) IN GENERAL.—The Secretary shall
17 select States for participation in the pilot
18 project in accordance with criteria established
19 by the Secretary and terms and conditions es-
20 tablished for participation.

21 “(B) REQUIREMENT.—The Secretary shall
22 ensure that at least 1 project is located in a
23 State in each of—

24 “(i) the Pacific Northwest Region;

25 “(ii) the Northeast Region;

1 “(iii) the Western Region;

2 “(iv) the Midwest Region; and

3 “(v) the Southern Region.

4 “(4) PRIORITY.—In selecting States for partici-
5 pation in the pilot project, the Secretary shall
6 prioritize applications based on—

7 “(A) the quantity and variety of growers of
8 local fruits and vegetables in the States on a
9 per capita basis;

10 “(B) the demonstrated commitment of the
11 States to farm-to-school efforts, as evidenced by
12 prior efforts to increase and promote farm-to-
13 school programs in the States; and

14 “(C) whether the States contain a suffi-
15 cient quantity of local educational agencies, var-
16 ious population sizes, and geographical loca-
17 tions.

18 “(5) RECORDKEEPING AND REPORTING RE-
19 QUIREMENTS.—

20 “(A) RECORDKEEPING REQUIREMENT.—
21 States selected to participate in the pilot
22 project, and participating school food authori-
23 ties within those States, shall keep records of
24 the fruits and vegetables received under the

1 pilot project in such manner and form as re-
2 quested by the Secretary.

3 “(B) REPORTING REQUIREMENT.—Each
4 participating State shall submit to the Sec-
5 retary a report on the success of the pilot
6 project in the State, including information on—

7 “(i) the quantity and cost of each type
8 of fruit and vegetable received by the State
9 under the pilot project; and

10 “(ii) the benefit provided by those
11 procurements in conducting school food
12 service in the State, including meeting
13 school meal requirements.”.

14 **SEC. 4203. SENIORS FARMERS’ MARKET NUTRITION PRO-**
15 **GRAM.**

16 (a) IN GENERAL.—Section 4402(a) of the Farm Se-
17 curity and Rural Investment Act of 2002 (7 U.S.C.
18 3007(a)) is amended by striking “2012” and inserting
19 “2018”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) takes effect on October 1, 2013.

22 **SEC. 4204. DIETARY GUIDELINES FOR AMERICANS.**

23 Section 301(a) of the National Nutrition Monitoring
24 and Related Research Act of 1990 (7 U.S.C. 5341(a)) is
25 amended by adding at the end the following:

1 “(3) PREGNANT WOMEN AND YOUNG CHIL-
2 DREN.—Not later than the 2020 report and in each
3 report thereafter, the Secretaries shall include na-
4 tional nutritional and dietary information and guide-
5 lines for pregnant women and children from birth
6 until the age of 2.”.

7 **SEC. 4205. MULTIAGENCY TASK FORCE.**

8 Subtitle D of title II of the Department of Agri-
9 culture Reorganization Act of 1994 (7 U.S.C. 6951 et
10 seq.) is amended by adding at the end the following:

11 **“SEC. 242. MULTIAGENCY TASK FORCE.**

12 “(a) IN GENERAL.—The Secretary shall establish, in
13 the office of the Under Secretary for Food, Nutrition, and
14 Consumer Services, a multiagency task force for the pur-
15 pose of providing coordination and direction for com-
16 modity programs.

17 “(b) COMPOSITION.—The Task Force shall be com-
18 posed of at least 4 members, including—

19 “(1) a representative from the Food Distribu-
20 tion Division of the Food and Nutrition Service, who
21 shall—

22 “(A) be appointed by the Under Secretary
23 for Food, Nutrition, and Consumer Services;
24 and

1 “(B) serve as Chairperson of the Task
2 Force;

3 “(2) at least 1 representative from the Agricul-
4 tural Marketing Service, who shall be appointed by
5 the Under Secretary for Marketing and Regulatory
6 Programs;

7 “(3) at least 1 representative from the Farm
8 Services Agency, who shall be appointed by the
9 Under Secretary for Farm and Foreign Agricultural
10 Services; and

11 “(4) at least 1 representative from the Food
12 Safety and Inspection Service, who shall be ap-
13 pointed by the Under Secretary for Food Safety.

14 “(c) DUTIES.—

15 “(1) IN GENERAL.—The Task Force shall be
16 responsible for evaluation and monitoring of the
17 commodity programs to ensure that the commodity
18 programs meet the mission of the Department—

19 “(A) to support the United States farm
20 sector; and

21 “(B) to contribute to the health and well-
22 being of individuals in the United States
23 through the distribution of domestic agricul-
24 tural products through commodity programs.

1 “(2) SPECIFIC DUTIES.—In carrying out para-
2 graph (1), the Task Force shall—

3 “(A) review and make recommendations
4 regarding the specifications used for the pro-
5 curement of food commodities;

6 “(B) review and make recommendations
7 regarding the efficient and effective distribution
8 of food commodities; and

9 “(C) review and make recommendations
10 regarding the degree to which the quantity,
11 quality, and specifications of procured food
12 commodities align the needs of producers and
13 the preferences of recipient agencies.

14 “(d) REPORTS.—Not later than 1 year after the date
15 of enactment of this section, and annually thereafter, the
16 Secretary shall submit to Congress a report that describes,
17 for the period covered by the report—

18 “(1) the findings and recommendations of the
19 Task Force; and

20 “(2) policies implemented for the improvement
21 of commodity procurement programs.”.

22 **SEC. 4206. HEALTHY FOOD FINANCING INITIATIVE.**

23 Subtitle D of title II of the Department of Agri-
24 culture Reorganization Act of 1994 (7 U.S.C. 6951 et

1 seq.) (as amended by section 4205) is amended by adding
2 at the end the following:

3 **“SEC. 243. HEALTHY FOOD FINANCING INITIATIVE.**

4 “(a) PURPOSE.—The purpose of this section is to en-
5 hance the authorities of the Secretary to support efforts
6 to provide access to healthy food by establishing an initia-
7 tive to improve access to healthy foods in underserved
8 areas, to create and preserve quality jobs, and to revitalize
9 low-income communities by providing loans and grants to
10 eligible fresh, healthy food retailers to overcome the higher
11 costs and initial barriers to entry in underserved areas.

12 “(b) DEFINITIONS.—In this section:

13 “(1) COMMUNITY DEVELOPMENT FINANCIAL IN-
14 STITUTION.—The term ‘community development fi-
15 nancial institution’ has the meaning given the term
16 in section 103 of the Community Development
17 Banking and Financial Institutions Act of 1994 (12
18 U.S.C. 4702).

19 “(2) INITIATIVE.—The term ‘Initiative’ means
20 the Healthy Food Financing Initiative established
21 under subsection (c)(1).

22 “(3) NATIONAL FUND MANAGER.—The term
23 ‘national fund manager’ means a community devel-
24 opment financial institution that is—

1 “(A) in existence on the date of enactment
2 of this section; and

3 “(B) certified by the Community Develop-
4 ment Financial Institution Fund of the Depart-
5 ment of Treasury to manage the Initiative for
6 purposes of—

7 “(i) raising private capital;

8 “(ii) providing financial and technical
9 assistance to partnerships; and

10 “(iii) funding eligible projects to at-
11 tract fresh, healthy food retailers to under-
12 served areas, in accordance with this sec-
13 tion.

14 “(4) PARTNERSHIP.—The term ‘partnership’
15 means a regional, State, or local public-private part-
16 nership that—

17 “(A) is organized to improve access to
18 fresh, healthy foods;

19 “(B) provides financial and technical as-
20 sistance to eligible projects; and

21 “(C) meets such other criteria as the Sec-
22 retary may establish.

23 “(5) PERISHABLE FOOD.—The term ‘perishable
24 food’ means a staple food that is fresh, refrigerated,
25 or frozen.

1 “(6) QUALITY JOB.—The term ‘quality job’
2 means a job that provides wages and other benefits
3 comparable to, or better than, similar positions in
4 existing businesses of similar size in similar local
5 economies.

6 “(7) STAPLE FOOD.—

7 “(A) IN GENERAL.—The term ‘staple food’
8 means food that is a basic dietary item.

9 “(B) INCLUSIONS.—The term ‘staple food’
10 includes—

11 “(i) bread or cereal;

12 “(ii) flour;

13 “(iii) fruits;

14 “(iv) vegetables;

15 “(v) meat; and

16 “(vi) dairy products.

17 “(c) INITIATIVE.—

18 “(1) ESTABLISHMENT.—The Secretary shall es-
19 tablish an initiative to achieve the purpose described
20 in subsection (a) in accordance with this subsection.

21 “(2) IMPLEMENTATION.—

22 “(A) IN GENERAL.—

23 “(i) IN GENERAL.—In carrying out
24 the Initiative, the Secretary shall provide
25 funding to entities with eligible projects, as

1 described in subparagraph (B), subject to
2 the priorities described in subparagraph
3 (C).

4 “(ii) USE OF FUNDS.—Funds pro-
5 vided to an entity pursuant to clause (i)
6 shall be used—

7 “(I) to create revolving loan pools
8 of capital or other products to provide
9 loans to finance eligible projects or
10 partnerships;

11 “(II) to provide grants for eligi-
12 ble projects or partnerships;

13 “(III) to provide technical assist-
14 ance to funded projects and entities
15 seeking Initiative funding; and

16 “(IV) to cover administrative ex-
17 penses of the national fund manager
18 in an amount not to exceed 10 per-
19 cent of the Federal funds provided.

20 “(B) ELIGIBLE PROJECTS.—Subject to the
21 approval of the Secretary, the national fund
22 manager shall establish eligibility criteria for
23 projects under the Initiative, which shall include
24 the existence or planned execution of agree-
25 ments—

1 “(i) to expand or preserve the avail-
2 ability of staple foods in underserved areas
3 with moderate- and low-income populations
4 by maintaining or increasing the number
5 of retail outlets that offer an assortment of
6 perishable food and staple food items, as
7 determined by the Secretary, in those
8 areas; and

9 “(ii) to accept benefits under the sup-
10 plemental nutrition assistance program es-
11 tablished under the Food and Nutrition
12 Act of 2008 (7 U.S.C. 2011 et seq.).

13 “(C) PRIORITIES.—In carrying out the Ini-
14 tiative, priority shall be given to projects that—

15 “(i) are located in severely distressed
16 low-income communities, as defined by the
17 Community Development Financial Insti-
18 tutions Fund of the Department of Treas-
19 ury; and

20 “(ii) include 1 or more of the fol-
21 lowing characteristics:

22 “(I) The project will create or re-
23 tain quality jobs for low-income resi-
24 dents in the community.

1 “(II) The project supports re-
2 gional food systems and locally grown
3 foods, to the maximum extent prac-
4 ticable.

5 “(III) In areas served by public
6 transit, the project is accessible by
7 public transit.

8 “(IV) The project involves
9 women- or minority-owned businesses.

10 “(V) The project receives funding
11 from other sources, including other
12 Federal agencies.

13 “(VI) The project otherwise ad-
14 vances the purpose of this section, as
15 determined by the Secretary.

16 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
17 is authorized to be appropriated to the Secretary to carry
18 out this section \$125,000,000, to remain available until
19 expended.”.

20 **SEC. 4207. PURCHASE OF HALAL AND KOSHER FOOD FOR**
21 **EMERGENCY FOOD ASSISTANCE PROGRAM.**

22 Section 202 of the Emergency Food Assistance Act
23 of 1983 (7 U.S.C. 7502) is amended by adding at the end
24 the following:

1 “(h) KOSHER AND HALAL FOOD.—As soon as prac-
2 ticable after the date of enactment of this subsection, the
3 Secretary shall finalize and implement a plan—

4 “(1) to increase the purchase of Kosher and
5 Halal food from food manufacturers with a Kosher
6 or Halal certification to carry out the program es-
7 tablished under this Act if the Kosher and Halal
8 food purchased is cost neutral as compared to food
9 that is not from food manufacturers with a Kosher
10 or Halal certification; and

11 “(2) to modify the labeling of the commodities
12 list used to carry out the program in a manner that
13 enables Kosher and Halal distribution entities to
14 identify which commodities to obtain from local food
15 banks.”.

16 **SEC. 4208. FOOD INSECURITY NUTRITION INCENTIVE.**

17 Section 4405 of the Food, Conservation, and Energy
18 Act of 2008 (7 U.S.C. 7517) is amended to read as fol-
19 lows:

20 **“SEC. 4405. FOOD INSECURITY NUTRITION INCENTIVE.**

21 “(a) IN GENERAL.—In this section:

22 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
23 tity’ means—

24 “(A) a nonprofit organization (including
25 an emergency feeding organization);

- 1 “(B) an agricultural cooperative;
2 “(C) a producer network or association;
3 “(D) a community health organization;
4 “(E) a public benefit corporation;
5 “(F) an economic development corporation;
6 “(G) a farmers’ market;
7 “(H) a community-supported agriculture
8 program;
9 “(I) a buying club;
10 “(J) a retail food store participating in the
11 supplemental nutrition assistance program;
12 “(K) a State, local, or tribal agency; and
13 “(L) any other entity the Secretary des-
14 ignates.

15 “(2) EMERGENCY FEEDING ORGANIZATION.—
16 The term ‘emergency feeding organization’ has the
17 meaning given the term in section 201A of the
18 Emergency Food Assistance Act of 1983 (7 U.S.C.
19 7501).

20 “(3) SUPPLEMENTAL NUTRITION ASSISTANCE
21 PROGRAM.—The term ‘supplemental nutrition assist-
22 ance program’ means the supplemental nutrition as-
23 sistance program established under the Food and
24 Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

1 “(b) FOOD INSECURITY NUTRITION INCENTIVE
2 GRANTS.—

3 “(1) AUTHORIZATION.—

4 “(A) IN GENERAL.—In each of the years
5 specified in subsection (c), the Secretary shall
6 make grants to eligible entities in accordance
7 with paragraph (2).

8 “(B) FEDERAL SHARE.—The Federal
9 share of the cost of carrying out an activity
10 under this subsection shall not exceed 50 per-
11 cent of the total cost of the activity.

12 “(C) NON-FEDERAL SHARE.—

13 “(i) IN GENERAL.—The non-Federal
14 share of the cost of an activity under this
15 subsection may be provided—

16 “(I) in cash or in-kind contribu-
17 tions as determined by the Secretary,
18 including facilities, equipment, or
19 services; and

20 “(II) by a State or local govern-
21 ment or a private source.

22 “(ii) LIMITATION.—In the case of a
23 for-profit entity, the non-Federal share de-
24 scribed in clause (i) shall not include serv-

1 ices of an employee, including salaries paid
2 or expenses covered by the employer.

3 “(2) CRITERIA.—

4 “(A) IN GENERAL.—For purposes of this
5 subsection, an eligible entity is a governmental
6 agency or nonprofit organization that—

7 “(i) meets the application criteria set
8 forth by the Secretary; and

9 “(ii) proposes a project that, at a
10 minimum—

11 “(I) has the support of the State
12 agency;

13 “(II) would increase the purchase
14 of fruits and vegetables by low-income
15 consumers participating in the supple-
16 mental nutrition assistance program
17 by providing incentives at the point of
18 purchase;

19 “(III) agrees to participate in the
20 evaluation described in paragraph (4);

21 “(IV) ensures that the same
22 terms and conditions apply to pur-
23 chases made by individuals with bene-
24 fits issued under this Act and incen-
25 tives provided for in this subsection as

1 apply to purchases made by individ-
2 uals who are not members of house-
3 holds receiving benefits, such as pro-
4 vided for in section 278.2(b) of title 7,
5 Code of Federal Regulations (or a
6 successor regulation); and

7 “(V) includes effective and effi-
8 cient technologies for benefit redemp-
9 tion systems that may be replicated in
10 other States and communities.

11 “(B) PRIORITY.—In awarding grants
12 under this section, the Secretary shall give pri-
13 ority to projects that—

14 “(i) maximize the share of funds used
15 for direct incentives to participants;

16 “(ii) use direct-to-consumer sales mar-
17 keting;

18 “(iii) demonstrate a track record of
19 designing and implementing successful nu-
20 trition incentive programs that connect
21 low-income consumers and agricultural
22 producers;

23 “(iv) provide locally or regionally pro-
24 duced fruits and vegetables;

1 “(v) are located in underserved com-
2 munities; or

3 “(vi) address other criteria as estab-
4 lished by the Secretary.

5 “(3) APPLICABILITY.—

6 “(A) IN GENERAL.—The value of any ben-
7 efit provided to a participant in any activity
8 funded under this subsection shall be treated as
9 supplemental nutrition benefits under section
10 8(b) of the Food and Nutrition Act of 2008 (7
11 U.S.C. 2017(b)).

12 “(B) PROHIBITION ON COLLECTION OF
13 SALES TAXES.—Each State shall ensure that no
14 State or local tax is collected on a purchase of
15 food under this subsection.

16 “(C) NO LIMITATION ON BENEFITS.—A
17 grant made available under this subsection shall
18 not be used to carry out any project that limits
19 the use of benefits under the Food and Nutri-
20 tion Act of 2008 (7 U.S.C. 2011 et seq.) or any
21 other Federal nutrition law.

22 “(D) HOUSEHOLD ALLOTMENT.—Assist-
23 ance provided under this subsection to house-
24 holds receiving benefits under the supplemental
25 nutrition assistance program shall not—

1 “(i) be considered part of the supple-
2 mental nutrition assistance program bene-
3 fits of the household; or

4 “(ii) be used in the collection or dis-
5 position of claims under section 13 of the
6 Food and Nutrition Act of 2008 (7 U.S.C.
7 2022).

8 “(4) EVALUATION.—

9 “(A) INDEPENDENT EVALUATION.—The
10 Secretary shall provide for an independent eval-
11 uation of projects selected under this subsection
12 that measures the impact of each project on—

13 “(i) improving the nutrition and
14 health status of participating households
15 receiving incentives under this subsection;
16 and

17 “(ii) increasing fruit and vegetable
18 purchases in participating households.

19 “(B) REQUIREMENT.—The independent
20 evaluation under subparagraph (A) shall use
21 rigorous methodologies capable of producing
22 scientifically valid information regarding the ef-
23 fectiveness of a project.

24 “(C) COSTS.—The Secretary may use
25 funds not to exceed 10 percent of the funding

1 provided to carry out this section to pay costs
2 associated with administering, monitoring, and
3 evaluating each project.

4 “(c) FUNDING.—

5 “(1) AUTHORIZATION OF APPROPRIATIONS.—

6 There is authorized to be appropriated to carry out
7 subsection (b) \$5,000,000 for each of fiscal years
8 2014 through 2018.

9 “(2) MANDATORY FUNDING.—Of the funds of
10 the Commodity Credit Corporation, the Secretary
11 shall use to carry out subsection (b)—

12 “(A) \$35,000,000 for the period of fiscal
13 years 2014 and 2015;

14 “(B) \$20,000,000 for each of fiscal years
15 2016 and 2017; and

16 “(C) \$25,000,000 for fiscal year 2018.”.

17 **SEC. 4209. FOOD AND AGRICULTURE SERVICE LEARNING**
18 **PROGRAM.**

19 Title IV of the Agricultural Research, Extension, and
20 Education Reform Act of 1998 (7 U.S.C. 7630 et seq.)
21 is amended by adding at the end the following:

22 **“SEC. 413. FOOD AND AGRICULTURE SERVICE LEARNING**
23 **PROGRAM.**

24 “(a) IN GENERAL.—Subject to the availability of ap-
25 propriations under subsection (e), the Secretary, acting

1 through the Director of the National Institute of Food and
2 Agriculture, and working in consultation with other appro-
3 priate Federal agencies that oversee national service pro-
4 grams, shall administer a competitively awarded food and
5 agriculture service learning grant program (referred to in
6 this section as the ‘Program’) to increase knowledge of
7 agriculture and improve the nutritional health of children.

8 “(b) PURPOSES.—The purposes of the Program
9 are—

10 “(1) to increase capacity for food, garden, and
11 nutrition education within host organizations or enti-
12 ties and school cafeterias and in the classroom;

13 “(2) to complement and build on the efforts of
14 the farm to school programs implemented under sec-
15 tion 18(g) of the Richard B. Russell National School
16 Lunch Act (42 U.S.C. 1769(g));

17 “(3) to complement efforts by the Department
18 and school food authorities to implement the school
19 lunch program established under the Richard B.
20 Russell National School Lunch Act (42 U.S.C. 1751
21 et seq.) and the school breakfast program estab-
22 lished by section 4 of the Child Nutrition Act of
23 1966 (42 U.S.C. 1773);

24 “(4) to carry out activities that advance the nu-
25 tritional health of children and nutrition education

1 in elementary schools and secondary schools (as
2 those terms are defined in section 9101 of the Ele-
3 mentary and Secondary Education Act of 1965 (20
4 U.S.C. 7801)); and

5 “(5) to foster higher levels of community en-
6 gagement and support the expansion of national
7 service and volunteer opportunities.

8 “(c) GRANTS.—

9 “(1) IN GENERAL.—In carrying out the Pro-
10 gram, the Director of the National Institute of Food
11 and Agriculture shall make competitive grants to eli-
12 gible entities that carry out the purposes described
13 in paragraphs (1) through (5) of subsection (b).

14 “(2) PRIORITIES.—In making grants under this
15 section, the Secretary may consider projects that are
16 carried out by entities that—

17 “(A) have a proven track record in car-
18 rying out the purposes described in subsection
19 (b);

20 “(B) work in underserved rural and urban
21 communities;

22 “(C) teach and engage children in experi-
23 ential learning about agriculture, gardening,
24 nutrition, cooking, and where food comes from;
25 and

1 “(D) facilitate a connection between ele-
2 mentary schools and secondary schools and ag-
3 ricultural producers in the local and regional
4 area.

5 “(d) ACCOUNTABILITY.—

6 “(1) IN GENERAL.—The Secretary may require
7 a partner organization or other qualified entity to
8 collect and report any data on the activities carried
9 out under the Program, as determined by the Sec-
10 retary.

11 “(2) EVALUATION.—The Secretary shall—

12 “(A) conduct regular evaluations of the ac-
13 tivities carried out under the Program; and

14 “(B) submit to the Committee on Agri-
15 culture of the House of Representatives and the
16 Committee on Agriculture, Nutrition, and For-
17 estry of the Senate a report that includes a de-
18 scription of the results of each evaluation con-
19 ducted under subparagraph (A).

20 “(e) FUNDING.—

21 “(1) AUTHORIZATION OF APPROPRIATIONS.—

22 There is authorized to be appropriated to carry out
23 the Program \$25,000,000, to remain available until
24 expended.

1 “(2) ADMINISTRATION.—Paragraphs (4), (7),
2 (8), and (11)(B) of subsection (b) of the Competi-
3 tive, Special, and Facilities Research Grant Act (7
4 U.S.C. 450i(b)) shall apply with respect to the mak-
5 ing of a competitive grant under this section.

6 “(3) MAINTENANCE OF EFFORT.—Funds made
7 available under paragraph (1) shall be used only to
8 supplement, not to supplant, the amount of Federal
9 funding otherwise expended for nutrition, research,
10 and extension programs of the Department.”.

11 **SEC. 4210. NUTRITION INFORMATION AND AWARENESS**
12 **PILOT PROGRAM.**

13 Section 4403 of the Farm Security and Rural Invest-
14 ment Act of 2002 (7 U.S.C. 3171 note; Public Law 107–
15 171) is repealed.

16 **SEC. 4211. TERMINATION OF EXISTING AGREEMENT.**

17 Effective beginning on the date of the enactment of
18 this Act, the memorandum of understanding entered into
19 on July 22, 2004, by the Secretary of Agriculture of the
20 United States Department of Agriculture and the Sec-
21 retary of Foreign Affairs of the Republic of Mexico and
22 known as the “Partnership for Nutrition Assistance Ini-
23 tiative” is null and void.

1 **SEC. 4212. REVIEW OF SOLE-SOURCE CONTRACTS IN FED-**
2 **ERAL NUTRITION PROGRAMS.**

3 (a) IN GENERAL.—The Secretary shall conduct an
4 evaluation of sole-source contracts in Federal nutrition
5 programs carried out by the Secretary, and the effect the
6 contracts have on program participation, program goals,
7 nonprogram consumers, retailers, and free market dynam-
8 ics.

9 (b) REPORT.—Not later than 1 year after the date
10 of enactment of this Act, the Secretary shall submit to
11 the Committee on Agriculture of the House of Representa-
12 tives and the Committee on Agriculture, Nutrition, and
13 Forestry of the Senate a report that describes the findings
14 of the review conducted under subsection (a).

15 **SEC. 4213. PULSE CROP PRODUCTS.**

16 (a) PURPOSE.—The purpose of this section is to en-
17 courage greater awareness and interest in the number and
18 variety of pulse crop products available to schoolchildren,
19 as recommended by the most recent Dietary Guidelines
20 for Americans published under section 301 of the National
21 Nutrition Monitoring and Related Research Act of 1990
22 (7 U.S.C. 5341).

23 (b) DEFINITIONS.—In this section:

24 (1) ELIGIBLE PULSE CROP.—The term “eligible
25 pulse crop” means dry beans, dry peas, lentils, and
26 chickpeas.

1 (2) PULSE CROP PRODUCT.—The term “pulse
2 crop product” means a food product derived in
3 whole or in part from an eligible pulse crop.

4 (c) PURCHASE OF PULSE CROPS AND PULSE CROP
5 PRODUCTS.—In addition to the commodities delivered
6 under section 6 of the Richard B. Russell National School
7 Lunch Act (42 U.S.C. 1755), subject to the availability
8 of appropriations, the Secretary shall purchase eligible
9 pulse crops and pulse crop products for use in—

10 (1) the school lunch program established under
11 the Richard B. Russell National School Lunch Act
12 (42 U.S.C. 1751 et seq.); and

13 (2) the school breakfast program established by
14 section 4 of the Child Nutrition Act of 1966 (42
15 U.S.C. 1773).

16 (d) EVALUATION.—Not later than September 30,
17 2016, the Secretary shall conduct an evaluation of the ac-
18 tivities conducted under subsection (c), including—

19 (1) an evaluation of whether children partici-
20 pating in the school lunch and breakfast programs
21 described in subsection (c) increased overall con-
22 sumption of eligible pulse crops as a result of the ac-
23 tivities;

1 (2) an evaluation of which eligible pulse crops
2 and pulse crop products are most acceptable for use
3 in the school lunch and breakfast programs;

4 (3) any recommendations of the Secretary re-
5 garding the integration of the use of pulse crop
6 products in carrying out the school lunch and break-
7 fast programs;

8 (4) an evaluation of any change in the nutrient
9 composition in the school lunch and breakfast pro-
10 grams due to the activities; and

11 (5) an evaluation of any other outcomes deter-
12 mined to be appropriate by the Secretary.

13 (e) REPORT.—As soon as practicable after the com-
14 pletion of the evaluation under subsection (d), the Sec-
15 retary shall submit to the Committee on Agriculture, Nu-
16 trition, and Forestry of the Senate and the Committee on
17 Education and the Workforce of the House of Representa-
18 tive a report describing the results of the evaluation.

19 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
20 authorized to be appropriated to carry out this section
21 \$10,000,000, to remain available until expended.

22 **SEC. 4214. PILOT PROJECT FOR CANNED, FROZEN, OR**
23 **DRIED FRUITS AND VEGETABLES.**

24 (a) IN GENERAL.—Subject to subsection (b), in the
25 2014-2015 school year, the Secretary shall carry out a

1 pilot project in schools participating in the Fresh Fruit
2 and Vegetable Program under section 19 of the Richard
3 B. Russell National School Lunch Act (42 U.S.C. 1769a)
4 (referred to in this section as the “Program”), in not less
5 than 5 States, to evaluate the impact of allowing schools
6 to offer canned, frozen, or dried fruits and vegetables as
7 part of the Program.

8 (b) REQUIREMENTS.—Not later than 60 days after
9 the date of enactment of this Act, the Secretary shall es-
10 tablish criteria for the conditions under which canned, fro-
11 zen, or dried fruits and vegetables may be offered, which
12 shall be in accordance with the most recent Dietary Guide-
13 lines for Americans published under section 301 of the
14 National Nutrition Monitoring and Related Research Act
15 of 1990 (7 U.S.C. 5341).

16 (c) EVALUATION.—With respect to the pilot project,
17 the Secretary shall evaluate—

18 (1) the impacts on fruit and vegetable consump-
19 tion at the schools participating in the pilot project;

20 (2) the impacts of the pilot project on school
21 participation in the Program and operation of the
22 Program;

23 (3) the implementation strategies used by the
24 schools participating in the pilot project;

1 (4) the acceptance of the pilot project by key
2 stakeholders; and

3 (5) such other outcomes as are determined by
4 the Secretary.

5 (d) REPORTS.—

6 (1) INTERIM REPORT.—Not later than January
7 1, 2015, the Secretary shall submit to the Com-
8 mittee on Education and Workforce of the House of
9 Representatives and the Committee on Agriculture,
10 Nutrition, and Forestry of the Senate a report that
11 describes the results of the evaluation under sub-
12 section (c).

13 (2) FINAL REPORT .—On completion of the
14 pilot project, the Secretary shall submit to the Com-
15 mittee on Education and Workforce of the House of
16 Representatives and the Committee on Agriculture,
17 Nutrition, and Forestry of the Senate a report that
18 describes the results of the evaluation under sub-
19 section (c).

20 (e) NOTICE OF AVAILABILITY.—As soon as prac-
21 ticable after the date on which the Secretary establishes
22 the criteria for the pilot project under subsection (b), the
23 Secretary shall notify potentially eligible schools of the po-
24 tential eligibility of the schools for participation in the
25 pilot project.

1 (f) RELATIONSHIP TO FRESH FRUIT AND VEGE-
2 TABLE PROGRAM.—Nothing in this section permits a
3 school that is not a part of the pilot project to offer any-
4 thing other than fresh fruits and vegetables through the
5 Program.

6 (g) FUNDING.—The Secretary shall use \$5,000,000
7 of amounts otherwise made available to the Secretary to
8 carry out this section.

9 **TITLE V—CREDIT**

10 **Subtitle A—Farm Ownership Loans**

11 **SEC. 5001. ELIGIBILITY FOR FARM OWNERSHIP LOANS.**

12 (a) IN GENERAL.—Section 302(a) of the Consoli-
13 dated Farm and Rural Development Act (7 U.S.C.
14 1922(a)) is amended—

15 (1) by striking “(a) IN GENERAL.—The” and
16 inserting the following:

17 “(a) IN GENERAL.—

18 “(1) ELIGIBILITY REQUIREMENTS.—The”;

19 (2) in the first sentence, by striking “and lim-
20 ited liability companies” and inserting “limited li-
21 ability companies, and such other legal entities as
22 the Secretary considers appropriate,”;

23 (3) in the second sentence, by redesignating
24 paragraphs (1) through (4) as subparagraphs (A)
25 through (D), respectively;

1 (4) in each of the second and third sentences,
2 by striking “and limited liability companies” each
3 place it appears and inserting “limited liability com-
4 panies, and such other legal entities”;

5 (5) in the third sentence—

6 (A) by striking “clause (3)” and inserting
7 “subparagraph (C)”;

8 (B) by striking “clause (4)” and inserting
9 “subparagraph (D)”;

10 (6) by adding at the end the following:

11 “(2) SPECIAL RULES.—

12 “(A) ELIGIBILITY OF CERTAIN OPER-
13 ATING-ONLY ENTITIES.—An entity that is or
14 will become only the operator of a family farm
15 shall be considered to meet the owner-operator
16 requirements of paragraph (1) if the individuals
17 that are the owners of the family farm own
18 more than 50 percent (or such other percentage
19 as the Secretary determines is appropriate) of
20 the entity.

21 “(B) ELIGIBILITY OF CERTAIN EMBEDDED
22 ENTITIES.—An entity that is an owner-operator
23 described in paragraph (1), or an operator de-
24 scribed in subparagraph (A) of this paragraph
25 that is owned, in whole or in part, by other en-

1 ties, shall be considered to meet the direct
2 ownership requirement imposed under para-
3 graph (1) if at least 75 percent of the owner-
4 ship interests of each embedded entity of the
5 entity is owned directly or indirectly by the in-
6 dividuals that own the family farm.”.

7 (b) DIRECT FARM OWNERSHIP EXPERIENCE RE-
8 QUIREMENT.—Section 302(b)(1) of the Consolidated
9 Farm and Rural Development Act (7 U.S.C. 1922(b)(1))
10 is amended in the matter preceding subparagraph (A) by
11 inserting “or has other acceptable experience for a period
12 of time, as determined by the Secretary,” after “3 years”.

13 (c) CONFORMING AMENDMENTS.—

14 (1) Section 304(c)(2) of the Consolidated Farm
15 and Rural Development Act (7 U.S.C. 1924(c)(2))
16 by striking “paragraphs (1) and (2) of section
17 302(a)” and inserting “subparagraphs (A) and (B)
18 of section 302(a)(1)”.

19 (2) Section 310D(a) of the Consolidated Farm
20 and Rural Development Act (7 U.S.C. 1934(a)) is
21 amended in the second sentence—

22 (A) by inserting after “partnership” the
23 following: “, or such other legal entities as the
24 Secretary considers appropriate,”; and

1 (B) by striking “or partners” each place it
2 appears and inserting “partners, or owners”.

3 **SEC. 5002. CONSERVATION LOAN AND LOAN GUARANTEE**
4 **PROGRAM.**

5 (a) ELIGIBILITY.—Section 304(c) of the Consolidated
6 Farm and Rural Development Act (7 U.S.C. 1924(c)) is
7 amended by striking “or limited liability companies” and
8 inserting “limited liability companies, or such other legal
9 entities as the Secretary considers appropriate”.

10 (b) LIMITATIONS APPLICABLE TO LOAN GUARAN-
11 TEES.—Section 304(e) of the Consolidated Farm and
12 Rural Development Act (7 U.S.C. 1924(e)) is amended by
13 striking “shall be 75 percent of the principal amount of
14 the loan.” and inserting “shall be—

15 “(1) 80 percent of the principal amount of the
16 loan; or

17 “(2) in the case of a producer that is a quali-
18 fied socially disadvantaged farmer or rancher or a
19 beginning farmer or rancher, 90 percent of the prin-
20 cipal amount of the loan.”.

21 (c) EXTENSION OF PROGRAM.—Section 304 of the
22 Consolidated Farm and Rural Development Act (7 U.S.C.
23 1924) is amended by striking subsection (h) and inserting
24 the following:

1 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
2 is authorized to be appropriated to the Secretary to carry
3 out this section \$150,000,000 for each of fiscal years 2014
4 through 2018.”.

5 **SEC. 5003. JOINT FINANCING ARRANGEMENTS.**

6 Section 307(a)(3) of the Consolidated Farm and
7 Rural Development Act (7 U.S.C. 1927(a)(3)) is amended
8 by striking subparagraph (D) and inserting the following:

9 “(D) JOINT FINANCING ARRANGE-
10 MENTS.—If a direct farm ownership loan is
11 made under this subtitle as part of a joint fi-
12 nancing arrangement and the amount of the di-
13 rect farm ownership loan does not exceed 50
14 percent of the total principal amount financed
15 under the arrangement, the interest rate on the
16 direct farm ownership loan shall be a rate equal
17 to the greater of—

18 “(i) the difference between—

19 “(I) 2 percent; and

20 “(II) the interest rate for farm
21 ownership loans under this subtitle; or

22 “(ii) 2.5 percent.”.

1 **SEC. 5004. ELIMINATION OF MINERAL RIGHTS APPRAISAL**
2 **REQUIREMENT.**

3 Section 307 of the Consolidated Farm and Rural De-
4 velopment Act (7 U.S.C. 1927) is amended—

5 (1) by striking subsection (d); and

6 (2) by redesignating subsection (e) as sub-
7 section (d).

8 **SEC. 5005. DOWN PAYMENT LOAN PROGRAM.**

9 (a) IN GENERAL.—Section 310E(b)(1)(C) of the
10 Consolidated Farm and Rural Development Act (7 U.S.C.
11 1935(b)(1)(C)) is amended by striking “\$500,000” and
12 inserting “\$667,000”.

13 (b) TECHNICAL CORRECTION.—Section 310E(b) of
14 the Consolidated Farm and Rural Development Act (7
15 U.S.C. 1935(b)) is amended by striking paragraph (2) (as
16 added by section 7(a) of Public Law 102–554; 106 Stat.
17 4145).

18 **Subtitle B—Operating Loans**

19 **SEC. 5101. ELIGIBILITY FOR FARM OPERATING LOANS.**

20 Section 311(a) of the Consolidated Farm and Rural
21 Development Act (7 U.S.C. 1941(a)) is amended—

22 (1) by striking “(a) IN GENERAL.—The” and
23 inserting the following:

24 “(a) IN GENERAL.—

25 “(1) ELIGIBILITY REQUIREMENTS.—The”;

1 (2) in the first sentence, by striking “and lim-
2 ited liability companies” and inserting “ limited li-
3 ability companies, and such other legal entities as
4 the Secretary considers appropriate,”;

5 (3) in the second sentence, by redesignating
6 paragraphs (1) through (4) as subparagraphs (A)
7 through (D), respectively;

8 (4) in each of the second and third sentences,
9 by striking “and limited liability companies” each
10 place it appears and inserting “limited liability com-
11 panies, and such other legal entities”;

12 (5) in the third sentence—

13 (A) by striking “clause (3)” and inserting
14 “subparagraph (C)”; and

15 (B) by striking “clause (4)” and inserting
16 “subparagraph (D)”; and

17 (6) by adding at the end the following:

18 “(2) SPECIAL RULE.—An entity that is an op-
19 erator described in paragraph (1) that is owned, in
20 whole or in part, by other entities, shall be consid-
21 ered to meet the direct ownership requirement im-
22 posed under paragraph (1) if at least 75 percent of
23 the ownership interests of each embedded entity of
24 the entity is owned directly or indirectly by the indi-
25 viduals that own the family farm.”.

1 **SEC. 5102. ELIMINATION OF RURAL RESIDENCY REQUIRE-**
2 **MENT FOR OPERATING LOANS TO YOUTH.**

3 Section 311(b)(1) of the Consolidated Farm and
4 Rural Development Act (7 U.S.C. 1941(b)(1)) is amended
5 by striking “who are rural residents”.

6 **SEC. 5103. DEFAULTS BY YOUTH LOAN BORROWERS.**

7 Section 311(b) of the Consolidated Farm and Rural
8 Development Act (7 U.S.C. 1941(b)) is amended by add-
9 ing at the end the following:

10 “(5) EQUITABLE CONSIDERATIONS FOR DE-
11 FAULT.—

12 “(A) DEBT FORGIVENESS.—

13 “(i) IN GENERAL.—The Secretary
14 may, on a case-by-case basis, provide debt
15 forgiveness to a borrower for a loan made
16 under this subsection if the borrower was
17 unable to timely repay the loan due to cir-
18 cumstances beyond the control of the bor-
19 rower, as determined by the Secretary, in-
20 cluding any natural disaster, act of ter-
21 rorism, or other man-made disaster that
22 results in an inordinate level of damage or
23 disruption severely affecting the borrower.

24 “(ii) ELIGIBILITY FOR FUTURE
25 LOANS.—Notwithstanding any other provi-
26 sion of law, debt forgiveness provided

1 under this subparagraph shall not be used
2 by any Federal agency in determining the
3 eligibility of the borrower for any loan
4 made or guaranteed by the agency.

5 “(B) EDUCATION LOANS.—Notwith-
6 standing any other provision of law, if a bor-
7 rower becomes delinquent or is provided with
8 debt forgiveness with respect to a youth loan
9 made under this subsection, the borrower shall
10 not become ineligible, as a result of the delin-
11 quency or debt forgiveness, to receive loans and
12 loan guarantees from the Federal Government
13 to pay for education expenses of the borrower.”.

14 **SEC. 5104. TERM LIMITS ON DIRECT OPERATING LOANS.**

15 Section 311(c) of the Consolidated Farm and Rural
16 Development Act (7 U.S.C. 1941(c)) is amended by add-
17 ing at the end the following:

18 “(5) ANNUAL REPORT ON TERM LIMITS ON DI-
19 RECT OPERATING LOANS.—

20 “(A) IN GENERAL.—The Secretary shall
21 prepare a report annually that describes—

22 “(i) the status of the direct operating
23 loan program of the Department of Agri-
24 culture; and

1 “(ii) the impact of term limits on di-
2 rect loan borrowers.

3 “(B) DEMOGRAPHIC INFORMATION.—

4 “(i) IN GENERAL.—The report shall
5 provide a demographic breakdown, on a
6 State-by-State basis, of—

7 “(I) all direct loan borrowers;
8 and

9 “(II) borrowers that have
10 reached the eligibility limit for direct
11 lending programs during the previous
12 calendar year.

13 “(ii) DEMOGRAPHIC INFORMATION.—
14 The available demographic information
15 shall include, to the maximum extent prac-
16 ticable, a description of race or ethnicity,
17 gender, age, type of farm or ranch, finan-
18 cial classification, number of years of in-
19 debtedness, veteran status, and other simi-
20 lar information, as determined by the Sec-
21 retary.

22 “(C) ADDITIONAL CONTENT.—In addition
23 to information described in subparagraph (B),
24 the report shall provide—

1 “(i) a demographic analysis of the
2 borrowers impacted by term limits;

3 “(ii) information on the conditions im-
4 pacting the direct lending portfolio of the
5 Department of Agriculture, including im-
6 pacts by region and agriculture sector, and
7 credit availability within those regions and
8 sectors;

9 “(iii) to the maximum extent prac-
10 ticable, information on the status of bor-
11 rower operations impacted by term limits;
12 and

13 “(iv) recommendations, if appropriate,
14 to address any identifiable unmet credit
15 needs.

16 “(D) SUBMISSION.—The Secretary shall—

17 “(i) annually submit to the Committee
18 on Agriculture of the House of Representa-
19 tives and the Committee on Agriculture,
20 Nutrition, and Forestry of the Senate a
21 copy of the report; and

22 “(ii) make the report available to the
23 public, including posting the report on the
24 website of the Department of Agri-
25 culture.”.

1 **SEC. 5105. VALUATION OF LOCAL OR REGIONAL CROPS.**

2 Section 312 of the Consolidated Farm and Rural De-
3 velopment Act (7 U.S.C. 1942) is amended by adding at
4 the end the following:

5 “(e) VALUATION OF LOCAL OR REGIONAL CROPS.—

6 “(1) IN GENERAL.—The Secretary shall develop
7 ways to determine unit prices (or other appropriate
8 forms of valuation) for crops and other agricultural
9 products, the end use of which is intended to be in
10 locally or regionally produced agricultural food prod-
11 ucts, to facilitate lending to local and regional food
12 producers.

13 “(2) PRICE HISTORY.—The Secretary shall im-
14 plement a mechanism for local and regional food
15 producers to establish price history for the crops and
16 other agricultural products produced by local and re-
17 gional food producers.”.

18 **SEC. 5106. MICROLOANS.**

19 (a) IN GENERAL.—Section 313 of the Consolidated
20 Farm and Rural Development Act (7 U.S.C. 1943) is
21 amended by adding at the end the following:

22 “(c) MICROLOANS.—

23 “(1) IN GENERAL.—Subject to paragraph (2),
24 the Secretary may establish a program to make or
25 guarantee microloans.

1 “(2) LIMITATIONS.—The Secretary shall not
2 make or guarantee a microloan under this sub-
3 section that would cause the total principal indebted-
4 ness outstanding at any 1 time for microloans made
5 under this title to any 1 borrower to exceed \$50,000.

6 “(3) APPLICATIONS.—To the maximum extent
7 practicable, the Secretary shall limit the administra-
8 tive burdens and streamline the application and ap-
9 proval process for microloans under this subsection.

10 “(4) COOPERATIVE LENDING PILOT
11 PROJECTS.—

12 “(A) IN GENERAL.—Subject to subpara-
13 graph (B), during each of the 2014 through
14 2018 fiscal years, the Secretary may carry out
15 a pilot project to make loans to community de-
16 velopment financial institutions, as the Sec-
17 retary determines appropriate—

18 “(i) to make or guarantee microloans
19 consistent with the terms provided under
20 this subsection; and

21 “(ii) to provide business, financial,
22 marketing, and credit management services
23 to microloan borrowers.

1 “(B) REQUIREMENTS.—Prior to making a
2 loan to an institution described in subparagraph
3 (A), the Secretary shall—

4 “(i) review and approve—

5 “(I) the loan loss reserve fund
6 for microloans established by the in-
7 stitution; and

8 “(II) the underwriting standards
9 for microloans of the institution; and

10 “(ii) establish such other requirements
11 for making a loan to the institution as the
12 Secretary determines necessary.

13 “(C) ELIGIBILITY.—To be eligible for a
14 loan under subparagraph (A), an institution de-
15 scribed in subparagraph (A) shall, as deter-
16 mined by the Secretary—

17 “(i) have the legal authority necessary
18 to carry out the actions described in sub-
19 paragraph (A);

20 “(ii) have a proven track record of
21 successfully assisting agricultural bor-
22 rowers; and

23 “(iii) have the services of a staff with
24 appropriate loan making and servicing ex-
25 pertise.

1 “(D) OVERSIGHT.—Not less often than an-
2 nually, on a date determined by the Secretary,
3 an institution that has a loan under this para-
4 graph shall provide to the Secretary such infor-
5 mation as the Secretary may require to ensure
6 that the services provided by the institution are
7 serving the purposes of this subsection.

8 “(E) LIMITATION.—The Secretary shall
9 not make more than \$10,000,000 in loans
10 under this paragraph in any fiscal year.”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 311(c) of the Consolidated Farm
13 and Rural Development Act (7 U.S.C. 1941(c)) is
14 amended by striking paragraph (2) and inserting the
15 following:

16 “(2) DEFINITION OF DIRECT OPERATING
17 LOAN.—In this subsection, the term ‘direct oper-
18 ating loan’ does not include—

19 “(A) a loan made to a youth under sub-
20 section (b); or

21 “(B) a microloan made to a beginning
22 farmer or rancher or a veteran farmer or ranch-
23 er (as defined in section 2501(e) of the Food,
24 Agriculture, Conservation, and Trade Act of
25 1990 (7 U.S.C. 2279(e)).”.

1 (2) Section 312(a) of the Consolidated Farm
2 and Rural Development Act (7 U.S.C. 1942(a)) is
3 amended in the matter preceding paragraph (1) by
4 inserting “(including a microloan, as defined by the
5 Secretary)” after “A direct loan”.

6 (3) Section 316(a)(2) of the Consolidated Farm
7 and Rural Development Act (7 U.S.C. 1946(a)(2))
8 is amended in the matter preceding subparagraph
9 (A) by inserting “a microloan to a beginning farmer
10 or rancher or veteran farmer or rancher (as defined
11 in section 2501(e) of the Food, Agriculture, Con-
12 servation, and Trade Act of 1990 (7 U.S.C.
13 2279(e)), or” after “The interest rate on”.

14 **SEC. 5107. TERM LIMITS ON GUARANTEED OPERATING**
15 **LOANS.**

16 Section 319 of the Consolidated Farm and Rural De-
17 velopment Act (7 U.S.C. 1949) is amended—

18 (1) in subsection (a), by striking “(a) GRADUA-
19 TION PLAN.—”; and

20 (2) by striking subsection (b).

21 **Subtitle C—Emergency Loans**

22 **SEC. 5201. ELIGIBILITY FOR EMERGENCY LOANS.**

23 Section 321(a) of the Consolidated Farm and Rural
24 Development Act (7 U.S.C. 1961(a)) is amended—

1 (1) by striking “owner-operators (in the case of
2 loans for a purpose under subtitle A) or operators
3 (in the case of loans for a purpose under subtitle
4 B)” each place it appears and inserting “(in the
5 case of farm ownership loans in accordance with
6 subtitle A) owner-operators or operators, or (in the
7 case of loans for a purpose under subtitle B) opera-
8 tors”;

9 (2) in the first sentence—

10 (A) by inserting “, or such other legal enti-
11 ties as the Secretary considers appropriate”
12 after “limited liability companies” the first
13 place it appears;

14 (B) by inserting “, or other legal entities”
15 after “limited liability companies” the second
16 place it appears; and

17 (C) by striking “and limited liability com-
18 panies,” and inserting “limited liability compa-
19 nies, and such other legal entities”;

20 (3) in the second sentence, by striking “owner-
21 ship and operator” and inserting “ownership or op-
22 erator”;

23 (4) by adding at the end the following: “An en-
24 tity that is an owner-operator or operator described
25 in this subsection shall be considered to meet the di-

1 rect ownership requirement imposed under this sub-
2 section if at least 75 percent of the ownership inter-
3 ests of each embedded entity of the entity is owned
4 directly or indirectly by the individuals that own the
5 family farm.”.

6 **Subtitle D—Administrative** 7 **Provisions**

8 **SEC. 5301. BEGINNING FARMER AND RANCHER INDIVIDUAL** 9 **DEVELOPMENT ACCOUNTS PILOT PROGRAM.**

10 Section 333B(h) of the Consolidated Farm and Rural
11 Development Act (7 U.S.C. 1983b(h)) is amended by
12 striking “2012” and inserting “2018”.

13 **SEC. 5302. FARMER LOAN PILOT PROJECTS.**

14 Subtitle D of the Consolidated Farm and Rural De-
15 velopment Act is amended by inserting after section 333C
16 (7 U.S.C. 1983c) the following:

17 **“SEC. 333D. FARMER LOAN PILOT PROJECTS.**

18 “(a) IN GENERAL.—The Secretary may conduct pilot
19 projects of limited scope and duration that are consistent
20 with subtitle A through this subtitle to evaluate processes
21 and techniques that may improve the efficiency and effec-
22 tiveness of the programs carried out under subtitle A
23 through this subtitle.

24 “(b) NOTIFICATION.—The Secretary shall—

1 “(1) not less than 60 days before the date on
2 which the Secretary initiates a pilot project under
3 subsection (a), submit notice of the proposed pilot
4 project to the Committee on Agriculture of the
5 House of Representatives and the Committee on Ag-
6 riculture, Nutrition, and Forestry of the Senate; and

7 “(2) consider any recommendations or feedback
8 provided to the Secretary in response to the notice
9 provided under paragraph (1).”.

10 **SEC. 5303. DEFINITION OF QUALIFIED BEGINNING FARMER**
11 **OR RANCHER.**

12 (a) IN GENERAL.—Section 343(a)(11) of the Consoli-
13 dated Farm and Rural Development Act (7 U.S.C.
14 1991(a)(11)) is amended in subparagraphs (C) and (D)—

15 (1) by striking “or joint operation,” each place
16 it appears and inserting “joint operation, or such
17 other legal entity as the Secretary considers appro-
18 priate,”;

19 (2) by striking “or joint operators,” each place
20 it appears and inserting “joint operators, or own-
21 ers,”; and

22 (3) in subparagraph (D), by striking “corpora-
23 tion, has stockholders,” each place it appears in
24 clauses (i)(II)(bb) and (ii)(II)(bb) and inserting “co-
25 operative, corporation, partnership, joint operation,

1 or other such legal entity as the Secretary considers
2 appropriate, has members, stockholders, partners, or
3 joint operators,”.

4 (b) MODIFICATION OF ACREAGE OWNERSHIP LIMITATION.—Section 343(a)(11)(F) of the Consolidated
5 Farm and Rural Development Act (7 U.S.C.
6 1991(a)(11)(F)) is amended by striking “median acreage”
7 and inserting “average acreage”.

9 **SEC. 5304. LOAN AUTHORIZATION LEVELS.**

10 Section 346(b)(1) of the Consolidated Farm and
11 Rural Development Act (7 U.S.C. 1994(b)(1)) is amended
12 in the matter preceding subparagraph (A) by striking
13 “2012” and inserting “2018”.

14 **SEC. 5305. LOAN FUND SET-ASIDES.**

15 Section 346(b)(2)(A)(ii)(III) of the Consolidated
16 Farm and Rural Development Act (7 U.S.C.
17 1994(b)(2)(A)(ii)(III)) is amended—

18 (1) by striking “2012” and inserting “2018”;

19 and

20 (2) by striking “of the total amount”.

21 **SEC. 5306. BORROWER TRAINING.**

22 Section 359(c)(2) of the Consolidated Farm and
23 Rural Development Act (7 U.S.C. 2006a(c)(2)) is amend-
24 ed by striking “section 302(a)(2) or 311(a)(2)” and in-
25 serting “section 302(a)(1)(B) or 311(a)(1)(B)”.

1 **Subtitle E—Miscellaneous**

2 **SEC. 5401. STATE AGRICULTURAL MEDIATION PROGRAMS.**

3 Section 506 of the Agricultural Credit Act of 1987
4 (7 U.S.C. 5106) is amended by striking “2015” and in-
5 serting “2018”.

6 **SEC. 5402. LOANS TO PURCHASERS OF HIGHLY**
7 **FRACTIONATED LAND.**

8 The first section of Public Law 91–229 (25 U.S.C.
9 488) is amended—

10 (1) in subsection (a), in the first sentence, by
11 striking “loans from” and all that follows through
12 “1929)” and inserting “direct loans in a manner
13 consistent with direct loans pursuant to subtitle D
14 of the Consolidated Farm and Rural Development
15 Act (7 U.S.C. 1981 et seq.)”; and

16 (2) in subsection (b)(1)—

17 (A) by striking “pursuant to section 205(c)
18 of the Indian Land Consolidation Act (25
19 U.S.C. 2204(c))”; and

20 (B) by inserting “or to intermediaries in
21 order to establish revolving loan funds for the
22 purchase of highly fractionated land under that
23 section” before the period at the end.

1 **SEC. 5403. REMOVAL OF DUPLICATIVE APPRAISALS.**

2 Notwithstanding any other law (including regula-
3 tions), in making loans under the first section of Public
4 Law 91-229 (25 U.S.C. 488), borrowers who are Indian
5 tribes, members of Indian tribes, or tribal corporations
6 shall only be required to obtain 1 appraisal under an ap-
7 praisal standard recognized as of the date of enactment
8 of this Act by the Secretary or the Secretary of the Inte-
9 rior.

10 **SEC. 5404. COMPENSATION DISCLOSURE BY FARM CREDIT**
11 **SYSTEM INSTITUTIONS.**

12 (a) FINDINGS.—Congress finds that —

13 (1) the reasonable disclosure to stockholders by
14 Farm Credit System institutions regarding the com-
15 pensation of Farm Credit System institution senior
16 officers is beneficial to stockholders' understanding
17 of the operation of their institutions;

18 (2) transparency regarding compensation prac-
19 tices reinforces the cooperative nature of Farm
20 Credit System institutions;

21 (3) the unique cooperative structure of the
22 Farm Credit System should be considered when pro-
23 mulgating rules;

24 (4) the participation of stockholders in the elec-
25 tion of the boards of directors of Farm Credit Sys-
26 tem institutions provides stockholders the oppor-

1 tunity to participate in the management of their in-
2 stitutions;

3 (5) as representatives of stockholders, the
4 boards of directors of Farm Credit System institu-
5 tions importantly establish and oversee the com-
6 pensation practices of Farm Credit System institu-
7 tions to ensure the safe and sound operation of
8 those institutions; and

9 (6) any regulation should strengthen and not
10 hinder the ability of Farm Credit System boards of
11 directors to oversee compensation practices.

12 (b) IMPLEMENTATION.—Not later than 60 days after
13 the date of enactment of this Act, the Farm Credit Admin-
14 istration shall review its rules to reflect Congressional in-
15 tent that a primary responsibility of the boards of direc-
16 tors of Farm Credit System institutions, as elected rep-
17 resentatives of their stockholders, is to oversee compensa-
18 tion practices.

1 **TITLE VI—RURAL**
2 **DEVELOPMENT**
3 **Subtitle A—Consolidated Farm and**
4 **Rural Development Act**

5 **SEC. 6001. WATER, WASTE DISPOSAL, AND WASTEWATER**
6 **FACILITY GRANTS.**

7 Section 306(a)(2)(B)(vii) of the Consolidated Farm
8 and Rural Development Act (7 U.S.C. 1926(a)(2)(B)(vii))
9 is amended by striking “2012” and inserting “2018”.

10 **SEC. 6002. ELIMINATION OF RESERVATION OF COMMUNITY**
11 **FACILITIES GRANT PROGRAM FUNDS.**

12 Section 306(a)(19) of the Consolidated Farm and
13 Rural Development Act (7 U.S.C. 1926(a)(19)) is amend-
14 ed by striking subparagraph (C).

15 **SEC. 6003. RURAL WATER AND WASTEWATER CIRCUIT**
16 **RIDER PROGRAM.**

17 Section 306(a) of the Consolidated Farm and Rural
18 Development Act (7 U.S.C. 1926(a)) is amended by strik-
19 ing paragraph (22) and inserting the following:

20 “(22) RURAL WATER AND WASTEWATER CIR-
21 CUIT RIDER PROGRAM.—

22 “(A) IN GENERAL.—The Secretary shall
23 continue a national rural water and wastewater
24 circuit rider program that—

1 “(i) is consistent with the activities
2 and results of the program conducted be-
3 fore the date of enactment of this clause,
4 as determined by the Secretary; and

5 “(ii) receives funding from the Sec-
6 retary, acting through the Rural Utilities
7 Service.

8 “(B) AUTHORIZATION OF APPROPRIA-
9 TIONS.—There is authorized to be appropriated
10 to carry out this paragraph \$20,000,000 for fis-
11 cal year 2014 and each fiscal year thereafter.”.

12 **SEC. 6004. USE OF LOAN GUARANTEES FOR COMMUNITY**
13 **FACILITIES.**

14 Section 306(a)(24) of the Consolidated Farm and
15 Rural Development Act (7 U.S.C. 1926(a)(24)) is amend-
16 ed by adding at the end the following:

17 “(C) USE OF LOAN GUARANTEES FOR
18 COMMUNITY FACILITIES.—The Secretary shall
19 consider the benefits to communities that result
20 from using loan guarantees in carrying out the
21 community facilities program and, to the max-
22 imum extent practicable, use guarantees to en-
23 hance community involvement.”.

1 **SEC. 6005. TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL**
2 **COMMUNITY FACILITIES.**

3 Section 306(a)(25)(C) of the Consolidated Farm and
4 Rural Development Act (7 U.S.C. 1926(a)(25)(C)) is
5 amended by striking “2012” and inserting “2018”.

6 **SEC. 6006. ESSENTIAL COMMUNITY FACILITIES TECHNICAL**
7 **ASSISTANCE AND TRAINING.**

8 Section 306(a) of the Consolidated Farm and Rural
9 Development Act (7 U.S.C. 1926(a)) is amended by add-
10 ing at the end the following:

11 “(26) ESSENTIAL COMMUNITY FACILITIES
12 TECHNICAL ASSISTANCE AND TRAINING.—

13 “(A) IN GENERAL.—The Secretary may
14 make grants to public bodies and private non-
15 profit corporations (such as States, counties,
16 cities, townships, and incorporated towns and
17 villages, boroughs, authorities, districts, and In-
18 dian tribes on Federal and State reservations)
19 that will serve rural areas for the purpose of
20 enabling the public bodies and private nonprofit
21 corporations to provide to associations described
22 in paragraph (1) technical assistance and train-
23 ing, with respect to essential community facili-
24 ties programs authorized under this sub-
25 section—

1 “(i) to assist communities in identi-
2 fying and planning for community facility
3 needs;

4 “(ii) to identify public and private re-
5 sources to finance community facility
6 needs;

7 “(iii) to prepare reports and surveys
8 necessary to request financial assistance to
9 develop community facilities;

10 “(iv) to prepare applications for finan-
11 cial assistance;

12 “(v) to improve the management, in-
13 cluding financial management, related to
14 the operation of community facilities; or

15 “(vi) to assist with other areas of
16 need identified by the Secretary.

17 “(B) SELECTION PRIORITY.—In selecting
18 recipients of grants under this paragraph, the
19 Secretary shall give priority to private, non-
20 profit, or public organizations that have experi-
21 ence in providing technical assistance and train-
22 ing to rural entities.

23 “(C) FUNDING.—Not less than 3 nor more
24 than 5 percent of any funds appropriated to
25 carry out each of the essential community facili-

1 ties grant, loan and loan guarantee programs as
2 authorized under this subsection for a fiscal
3 year shall be reserved for grants under this
4 paragraph.”.

5 **SEC. 6007. EMERGENCY AND IMMINENT COMMUNITY**
6 **WATER ASSISTANCE GRANT PROGRAM.**

7 Section 306A(i)(2) of the Consolidated Farm and
8 Rural Development Act (7 U.S.C. 1926a(i)(2)) is amended
9 by striking “2012” and inserting “2018”.

10 **SEC. 6008. WATER SYSTEMS FOR RURAL AND NATIVE VIL-**
11 **LAGES IN ALASKA.**

12 Section 306D(d)(1) of the Consolidated Farm and
13 Rural Development Act (7 U.S.C. 1926d(d)(1)) is amend-
14 ed by striking “2012” and inserting “2018”.

15 **SEC. 6009. HOUSEHOLD WATER WELL SYSTEMS.**

16 Section 306E(d) of the Consolidated Farm and Rural
17 Development Act (7 U.S.C. 1926e(d)) is amended by
18 striking “\$10,000,000 for each of fiscal years 2008
19 through 2012” and inserting “\$5,000,000 for each of fis-
20 cal years 2014 through 2018”.

21 **SEC. 6010. RURAL BUSINESS AND INDUSTRY LOAN PRO-**
22 **GRAM.**

23 (a) IN GENERAL.—Section 310B(a)(2)(A) of the
24 Consolidated Farm and Rural Development Act (7 U.S.C.
25 1932(a)(2)(A)) is amended by inserting “(including

1 through the financing of working capital)” after “employ-
2 ment”.

3 (b) GREATER FLEXIBILITY FOR ADEQUATE COLLAT-
4 ERAL THROUGH ACCOUNTS RECEIVABLE.—Section
5 310B(g)(7) of the Consolidated Farm and Rural Develop-
6 ment Act (7 U.S.C. 1932(g)(7)) is amended—

7 (1) by striking “In determining” and inserting
8 the following:

9 “(A) IN GENERAL.—In determining”; and

10 (2) by adding at the end the following:

11 “(B) ACCOUNTS RECEIVABLE.—In the dis-
12 cretion of the Secretary, if the Secretary deter-
13 mines that the action would not create or other-
14 wise contribute to an unreasonable risk of de-
15 fault or loss to the Federal Government, the
16 Secretary may take accounts receivable as secu-
17 rity for the obligations entered into in connec-
18 tion with loans and a borrower may use ac-
19 counts receivable as collateral to secure a loan
20 made or guaranteed under this subsection.”.

21 (c) REGULATIONS.—Not later than 180 days after
22 the date of enactment of this Act, the Secretary shall pro-
23 mulgate such regulations as are necessary to implement
24 the amendments made by this section.

1 **SEC. 6011. SOLID WASTE MANAGEMENT GRANTS.**

2 Section 310B(b) of the Consolidated Farm and Rural
3 Development Act (7 U.S.C. 1932(b)) is amended—

4 (1) by striking “The Secretary” and by insert-
5 ing the following:

6 “(1) IN GENERAL.—The Secretary”; and

7 (2) by adding at the end the following

8 “(2) AUTHORIZATION OF APPROPRIATIONS.—

9 There is authorized to be appropriated to carry out
10 this subsection \$10,000,000 for each of fiscal years
11 2014 through 2018.”.

12 **SEC. 6012. RURAL BUSINESS DEVELOPMENT GRANTS.**

13 (a) IN GENERAL.—Section 310B of the Consolidated
14 Farm and Rural Development Act (7 U.S.C. 1932) is
15 amended by striking subsection (c) and inserting the fol-
16 lowing:

17 “(c) RURAL BUSINESS DEVELOPMENT GRANTS.—

18 “(1) IN GENERAL.—The Secretary may make
19 grants under this subsection to eligible entities de-
20 scribed in paragraph (2) in rural areas that pri-
21 marily serve rural areas for purposes described in
22 paragraph (3).

23 “(2) ELIGIBLE ENTITIES.—The Secretary may
24 make grants under this subsection to—

25 “(A) governmental entities;

26 “(B) Indian tribes; and

1 “(C) nonprofit entities.

2 “(3) ELIGIBLE PURPOSES FOR GRANTS.—Eligi-
3 ble entities that receive grants under this subsection
4 may use the grant funds for—

5 “(A) business opportunity projects that—

6 “(i) identify and analyze business op-
7 portunities;

8 “(ii) identify, train, and provide tech-
9 nical assistance to existing or prospective
10 rural entrepreneurs and managers;

11 “(iii) assist in the establishment of
12 new rural businesses and the maintenance
13 of existing businesses, including through
14 business support centers;

15 “(iv) conduct regional, community,
16 and local economic development planning
17 and coordination, and leadership develop-
18 ment; and

19 “(v) establish centers for training,
20 technology, and trade that will provide
21 training to rural businesses in the use of
22 interactive communications technologies to
23 develop international trade opportunities
24 and markets; and

1 “(B) projects that support the development
2 of business enterprises that finance or facili-
3 tate—

4 “(i) the development of small and
5 emerging private business enterprise;

6 “(ii) the establishment, expansion,
7 and operation of rural distance learning
8 networks;

9 “(iii) the development of rural learn-
10 ing programs that provide educational in-
11 struction or job training instruction related
12 to potential employment or job advance-
13 ment to adult students; and

14 “(iv) the provision of technical assist-
15 ance and training to rural communities for
16 the purpose of improving passenger trans-
17 portation services or facilities.

18 “(4) AUTHORIZATION OF APPROPRIATIONS.—

19 “(A) IN GENERAL.—There is authorized to
20 be appropriated to the Secretary to carry out
21 this subsection \$65,000,000 for each of fiscal
22 years 2014 through 2018, to remain available
23 until expended.

24 “(B) ALLOCATION.—Of the funds made
25 available under subparagraph (A) for a fiscal

1 year, not more than 10 percent shall be used
2 for the purposes described in paragraph
3 (3)(A).”.

4 (b) CONFORMING AMENDMENT.—Section 306(a) of
5 the Consolidated Farm and Rural Development Act (7
6 U.S.C. 1926(a)) is amended by striking paragraph (11).

7 **SEC. 6013. RURAL COOPERATIVE DEVELOPMENT GRANTS.**

8 Section 310B(e) of the Consolidated Farm and Rural
9 Development Act (7 U.S.C. 1932(e)) is amended—

10 (1) by redesignating paragraph (12) as para-
11 graph (13);

12 (2) by inserting after paragraph (11) the fol-
13 lowing:

14 “(12) INTERAGENCY WORKING GROUP.—Not
15 later than 90 days after the date of enactment of
16 the Agricultural Act of 2014, the Secretary shall co-
17 ordinate and chair an interagency working group to
18 foster cooperative development and ensure coordina-
19 tion with Federal agencies and national and local co-
20 operative organizations that have cooperative pro-
21 grams and interests.”; and

22 (3) in paragraph (13) (as so redesignated), by
23 striking “\$50,000,000 for each of fiscal years 2008
24 through 2012” and inserting “\$40,000,000 for each
25 of fiscal years 2014 through 2018”.

1 **SEC. 6014. LOCALLY OR REGIONALLY PRODUCED AGRICUL-**
2 **TURAL FOOD PRODUCTS.**

3 Section 310B(g)(9)(B)(v)(I) of the Consolidated
4 Farm and Rural Development Act (7 U.S.C.
5 1932(g)(9)(B)(v)(I)) is amended by striking “2012” and
6 inserting “2018”.

7 **SEC. 6015. APPROPRIATE TECHNOLOGY TRANSFER FOR**
8 **RURAL AREAS PROGRAM.**

9 Section 310B(i)(4) of the Consolidated Farm and
10 Rural Development Act (7 U.S.C. 1932(i)(4)) is amended
11 by striking “2012” and inserting “2018”.

12 **SEC. 6016. RURAL ECONOMIC AREA PARTNERSHIP ZONES.**

13 Section 310B(j) of the Consolidated Farm and Rural
14 Development Act (7 U.S.C. 1932(j)) is amended by strik-
15 ing “2012” and inserting “2018”.

16 **SEC. 6017. INTERMEDIARY RELENDING PROGRAM.**

17 (a) IN GENERAL.—Subtitle A of the Consolidated
18 Farm and Rural Development Act (7 U.S.C. 1922 et seq.)
19 is amended by adding at the end the following:

20 **“SEC. 310H. INTERMEDIARY RELENDING PROGRAM.**

21 “(a) IN GENERAL.—The Secretary may make or
22 guarantee loans to eligible entities described in subsection
23 (b) so that the eligible entities may relend the funds to
24 individuals and entities for the purposes described in sub-
25 section (c).

1 “(b) ELIGIBLE ENTITIES.—Entities eligible for loans
2 and loan guarantees described in subsection (a) are—

3 “(1) public agencies;

4 “(2) Indian tribes;

5 “(3) cooperatives; and

6 “(4) nonprofit corporations.

7 “(c) ELIGIBLE PURPOSES.—The proceeds from loans
8 made or guaranteed by the Secretary pursuant to sub-
9 section (a) may be relented by eligible entities for projects
10 that—

11 “(1) predominately serve communities in rural
12 areas; and

13 “(2) as determined by the Secretary—

14 “(A) promote community development;

15 “(B) establish new businesses;

16 “(C) establish and support microlending
17 programs; and

18 “(D) create or retain employment opportu-
19 nities.

20 “(d) LIMITATION.—The Secretary shall not make
21 loans under section 623(a) of the Community Economic
22 Development Act of 1981 (42 U.S.C. 9812(a)).

23 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
24 is authorized to be appropriated to carry out this sub-

1 section \$25,000,000 for each of fiscal years 2014 through
2 2018.”.

3 (b) CONFORMING AMENDMENTS.—Section
4 1323(b)(2) of the Food Security Act of 1985 (Public Law
5 99–198; 7 U.S.C. 1932 note) is amended—

6 (1) in subparagraph (A), by adding “and” at
7 the end;

8 (2) in subparagraph (B), by striking “; and”
9 and inserting a period; and

10 (3) by striking subparagraph (C).

11 **SEC. 6018. RURAL COLLEGE COORDINATED STRATEGY.**

12 Section 331 of the Consolidated Farm and Rural De-
13 velopment Act (7 U.S.C. 1981) is amended by adding at
14 the end the following:

15 “(d) RURAL COLLEGE COORDINATED STRATEGY.—

16 “(1) IN GENERAL.—The Secretary shall develop
17 a coordinated strategy across the relevant programs
18 within the Rural Development mission areas to serve
19 the specific, local needs of rural communities when
20 making investments in rural community colleges and
21 technical colleges through other authorities in effect
22 on the date of enactment of this subsection.

23 “(2) CONSULTATION.—In developing a coordi-
24 nated strategy, the Secretary shall consult with
25 groups representing rural-serving community col-

1 leges and technical colleges to coordinate critical in-
2 vestments in rural community colleges and technical
3 colleges involved in workforce training.

4 “(3) ADMINISTRATION.—Nothing in this sub-
5 section provides a priority for funding under au-
6 thorities in effect on the date of enactment of this
7 subsection.

8 “(4) USE.—The Secretary shall use the coordi-
9 nated strategy and information developed for the
10 strategy to more effectively serve rural communities
11 with respect to investments in community colleges
12 and technical colleges.”.

13 **SEC. 6019. RURAL WATER AND WASTE DISPOSAL INFRA-**
14 **STRUCTURE.**

15 Section 333 of the Consolidated Farm and Rural De-
16 velopment Act (7 U.S.C. 1983) is amended—

17 (1) in the matter preceding paragraph (1), by
18 striking “require”;

19 (2) in paragraph (1), by inserting “require”
20 after “(1)”;

21 (3) in paragraph (2), by inserting “, require”
22 after “314”;

23 (4) in paragraph (3), by inserting “require”
24 after “loans,”;

25 (5) in paragraph (4)—

1 (A) by inserting “require” after “(4)”; and

2 (B) by striking “and” after the semicolon;

3 (6) in paragraph (5)—

4 (A) by inserting “require” after “(5)”; and

5 (B) by striking the period at the end and
6 inserting “; and”; and

7 (7) by adding at the end the following:

8 “(6) in the case of water and waste disposal di-
9 rect and guaranteed loans provided under section
10 306, encourage, to the maximum extent practicable,
11 private or cooperative lenders to finance rural water
12 and waste disposal facilities by—

13 “(A) maximizing the use of loan guaran-
14 tees to finance eligible projects in rural commu-
15 nities in which the population exceeds 5,500;

16 “(B) maximizing the use of direct loans to
17 finance eligible projects in rural communities if
18 the impact on ratepayers will be material when
19 compared to financing with a loan guarantee;

20 “(C) establishing and applying a materi-
21 ality standard when determining the difference
22 in impact on ratepayers between a direct loan
23 and a loan guarantee;

24 “(D) in the case of projects that require
25 interim financing in excess of \$500,000, requir-

1 ing that the projects initially seek the financing
2 from private or cooperative lenders; and
3 “(E) determining if an existing direct loan
4 borrower can refinance with a private or cooper-
5 ative lender, including with a loan guarantee,
6 prior to providing a new direct loan.”.

7 **SEC. 6020. SIMPLIFIED APPLICATIONS.**

8 (a) IN GENERAL.—Section 333A of the Consolidated
9 Farm and Rural Development Act (7 U.S.C. 1983a) is
10 amended by adding at the end the following:

11 “(h) SIMPLIFIED APPLICATION FORMS.—Except as
12 provided in subsection (g)(2), the Secretary shall, to the
13 maximum extent practicable, develop a simplified applica-
14 tion process, including a single page application if prac-
15 ticable, for grants and relending authorized under sections
16 306, 306C, 306D, 306E, 310B(b), 310B(c), 310B(e),
17 310B(f), 310H, 379B, and 379E.”.

18 (b) REPORT TO CONGRESS.—Not later than 2 years
19 after the date of enactment of this Act, the Secretary shall
20 submit to the Committee on Agriculture of the House of
21 Representatives and the Committee on Agriculture, Nutri-
22 tion, and Forestry of the Senate a report that contains
23 an evaluation of the implementation of the amendment
24 made by subsection (a).

1 **SEC. 6021. NATIONAL RURAL DEVELOPMENT PARTNER-**
2 **SHIP.**

3 Section 378 of the Consolidated Farm and Rural De-
4 velopment Act (7 U.S.C. 2008m) is amended—

5 (1) in subsection (g)(1), by striking “2012”
6 and inserting “2018”; and

7 (2) in subsection (h), by striking “2012” and
8 inserting “2018”.

9 **SEC. 6022. GRANTS FOR NOAA WEATHER RADIO TRANSMIT-**
10 **TERS.**

11 Section 379B(d) of the Consolidated Farm and Rural
12 Development Act (7 U.S.C. 2008p(d)) is amended by
13 striking subsection (d) and inserting the following:

14 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
15 is authorized to be appropriated to carry out this section
16 \$1,000,000 for each of fiscal years 2014 through 2018.”.

17 **SEC. 6023. RURAL MICROENTREPRENEUR ASSISTANCE**
18 **PROGRAM.**

19 Section 379E(d) of the Consolidated Farm and Rural
20 Development Act (7 U.S.C. 2008s(d)) is amended—

21 (1) in paragraph (1)—

22 (A) in subparagraph (A), by striking
23 “and” after the semicolon at the end;

24 (B) in subparagraph (B), by striking the
25 period at the end and inserting “; and”; and

26 (C) by adding at the end the following:

1 “(C) \$3,000,000 for each of fiscal years
2 2014 through 2018.”; and
3 (2) in paragraph (2), by striking “2012” and
4 inserting “2018”.

5 **SEC. 6024. HEALTH CARE SERVICES.**

6 Section 379G(e) of the Consolidated Farm and Rural
7 Development Act (7 U.S.C. 2008u(e)) is amended by
8 striking “2012” and inserting “2018”.

9 **SEC. 6025. STRATEGIC ECONOMIC AND COMMUNITY DEVELOP-**
10 **OPMENT.**

11 Subtitle D of the Consolidated Farm and Rural De-
12 velopment Act (7 U.S.C. 1981 et seq.) is amended by add-
13 ing at the end the following:

14 **“SEC. 379H. STRATEGIC ECONOMIC AND COMMUNITY DE-**
15 **VELOPMENT.**

16 “(a) IN GENERAL.—In the case of any rural develop-
17 ment program described in subsection (d)(2), the Sec-
18 retary may give priority to an application for a project
19 that, as determined and approved by the Secretary—

20 “(1) meets the applicable eligibility require-
21 ments of this title;

22 “(2) will be carried out solely in a rural area;
23 and

1 “(3) supports strategic community and eco-
2 nomic development plans on a multijurisdictional
3 basis.

4 “(b) RURAL AREA.—For purposes of subsection
5 (a)(2), the Secretary shall consider an application to be
6 for a project that will be carried out solely in a rural area
7 only if—

8 “(1) in the case of an application for a project
9 in the rural community facilities category described
10 in subsection (d)(2)(A), the project will be carried
11 out in a rural area described in section
12 343(a)(13)(C));

13 “(2) in the case of an application for a project
14 in the rural utilities category described in subsection
15 (d)(2)(B), the project will be carried out in a rural
16 area described in section 343(a)(13)(B); and

17 “(3) in the case of an application for a project
18 in the rural business and cooperative development
19 category described in subsection (d)(2)(C), the
20 project will be carried out in a rural area described
21 in section 343(a)(13)(A).

22 “(c) EVALUATION.—

23 “(1) IN GENERAL.—In evaluating strategic ap-
24 plications, the Secretary shall give a higher priority

1 to strategic applications for a plan described in sub-
2 section (a) that demonstrates to the Secretary—

3 “(A) the plan was developed through the
4 collaboration of multiple stakeholders in the
5 service area of the plan, including the participa-
6 tion of combinations of stakeholders such as
7 State, local, and tribal governments, nonprofit
8 institutions, institutions of higher education,
9 and private entities;

10 “(B) an understanding of the applicable
11 regional resources that could support the plan,
12 including natural resources, human resources,
13 infrastructure, and financial resources;

14 “(C) investment from other Federal agen-
15 cies;

16 “(D) investment from philanthropic orga-
17 nizations; and

18 “(E) clear objectives for the plan and the
19 ability to establish measurable performance
20 measures and to track progress toward meeting
21 the objectives.

22 “(2) CONSISTENCY WITH PLANS.—Applications
23 involving State, county, municipal, or tribal govern-
24 ments shall include an indication of consistency with

1 an adopted regional economic or community develop-
2 ment plan.

3 “(d) FUNDS.—

4 “(1) IN GENERAL.—Subject to paragraph (3)
5 and subsection (e), the Secretary may reserve for
6 projects that support multijurisdictional strategic
7 community and economic development plans de-
8 scribed in subsection (a) an amount that does not
9 exceed 10 percent of the funds made available for a
10 fiscal year for a functional category described in
11 paragraph (2).

12 “(2) FUNCTIONAL CATEGORIES.—The func-
13 tional categories described in this subsection are the
14 following:

15 “(A) RURAL COMMUNITY FACILITIES CAT-
16 EGORY.—The rural community facilities cat-
17 egory consists of all amounts made available for
18 community facility grants and direct and guar-
19 anteed loans under paragraph (1), (19), (20),
20 (21), (24), or (25) of section 306(a).

21 “(B) RURAL UTILITIES CATEGORY.—The
22 rural utilities category consists of all amounts
23 made available for—

1 “(i) water or waste disposal grants or
2 direct or guaranteed loans under para-
3 graph (1), (2), or (24) of section 306(a);

4 “(ii) rural water or wastewater tech-
5 nical assistance and training grants under
6 section 306(a)(14);

7 “(iii) emergency community water as-
8 sistance grants under section 306A; or

9 “(iv) solid waste management grants
10 under section 310B(b).

11 “(C) RURAL BUSINESS AND COOPERATIVE
12 DEVELOPMENT CATEGORY.—The rural business
13 and cooperative development category consists
14 of all amounts made available for—

15 “(i) business and industry direct and
16 guaranteed loans under section
17 310B(a)(2)(A); or

18 “(ii) rural business development
19 grants under section 310B(c).

20 “(3) PERIOD.—The reservation of funds de-
21 scribed in paragraph (2) may only extend through
22 June 30 of the fiscal year in which the funds were
23 first made available.

24 “(e) APPROVED APPLICATIONS.—

1 “(1) IN GENERAL.—Any applicant who sub-
2 mitted a rural development application that was ap-
3 proved before the date of enactment of this section
4 may amend the application to qualify for the funds
5 reserved under subsection (d)(1).

6 “(2) RURAL UTILITIES.—Any rural develop-
7 ment application authorized under section 306(a)(2),
8 306(a)(14), 306(a)(24), 306A, or 310B(b) and ap-
9 proved by the Secretary before the date of enact-
10 ment of this section shall be eligible for the funds
11 reserved under subsection (d)(1) on the same basis
12 as the applications submitted under this section
13 until September 30, 2016.”.

14 **SEC. 6026. DELTA REGIONAL AUTHORITY.**

15 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
16 382M(a) of the Consolidated Farm and Rural Develop-
17 ment Act (7 U.S.C. 2009aa–12(a)) is amended by striking
18 “2012” and inserting “2018”.

19 (b) TERMINATION OF AUTHORITY.—Section 382N of
20 the Consolidated Farm and Rural Development Act (7
21 U.S.C. 2009aa–13) is amended by striking “2012” and
22 inserting “2018”.

1 **SEC. 6027. NORTHERN GREAT PLAINS REGIONAL AUTHOR-**
2 **ITY.**

3 (a) AUDIT.—Section 383L(c) of the Consolidated
4 Farm and Rural Development Act (7 U.S.C. 2009bb-10(c))
5 is amended by inserting “for any fiscal year for which
6 funds are appropriated” after “annual basis”.

7 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
8 383N(a) of the Consolidated Farm and Rural Develop-
9 ment Act (7 U.S.C. 2009bb-12(a)) is amended by striking
10 “2012” and inserting “2018”.

11 (c) TERMINATION OF AUTHORITY.—Section 383O of
12 the Consolidated Farm and Rural Development Act (7
13 U.S.C. 2009bb-13) is amended by striking “2012” and
14 inserting “2018”.

15 **SEC. 6028. RURAL BUSINESS INVESTMENT PROGRAM.**

16 Section 384S of the Consolidated Farm and Rural
17 Development Act (7 U.S.C. 2009cc-18) is amended by
18 striking “\$50,000,000 for the period of fiscal years 2008
19 through 2012” and inserting “\$20,000,000 for each of fis-
20 cal years 2014 through 2018”.

21 **Subtitle B—Rural Electrification**
22 **Act of 1936**

23 **SEC. 6101. FEES FOR CERTAIN LOAN GUARANTEES.**

24 The Rural Electrification Act of 1936 is amended by
25 inserting after section 4 (7 U.S.C. 904) the following:

1 **“SEC. 5. FEES FOR CERTAIN LOAN GUARANTEES.**

2 “(a) IN GENERAL.—For electrification baseload gen-
3 eration loan guarantees, the Secretary shall, at the request
4 of the borrower, charge an upfront fee to cover the costs
5 of the loan guarantee.

6 “(b) FEE.—The fee described in subsection (a) for
7 a loan guarantee shall be equal to the costs of the loan
8 guarantee (within the meaning of section 502(5)(C) of the
9 Federal Credit Reform Act of 1990 (2 U.S.C.
10 661a(5)(C))).

11 “(c) LIMITATION.—Funds received from a borrower
12 to pay the fee described in this section shall not be derived
13 from a loan or other debt obligation that is made or guar-
14 anteed by the Federal Government.”.

15 **SEC. 6102. GUARANTEES FOR BONDS AND NOTES ISSUED**
16 **FOR ELECTRIFICATION OR TELEPHONE PUR-**
17 **POSES.**

18 Section 313A(f) of the Rural Electrification Act of
19 1936 (7 U.S.C. 940c–1(f)) is amended by striking “2012”
20 and inserting “2018”.

21 **SEC. 6103. EXPANSION OF 911 ACCESS.**

22 Section 315(d) of the Rural Electrification Act of
23 1936 (7 U.S.C. 940e(d)) is amended by striking “2012”
24 and inserting “2018”.

1 **SEC. 6104. ACCESS TO BROADBAND TELECOMMUNICATIONS**
2 **SERVICES IN RURAL AREAS.**

3 (a) IN GENERAL.—Section 601 of the Rural Elec-
4 trification Act of 1936 (7 U.S.C. 950bb) is amended—

5 (1) in subsection (c), by striking paragraph (2)
6 and inserting the following:

7 “(2) PRIORITY.—In making loans or loan guar-
8 antees under paragraph (1), the Secretary shall—

9 “(A) establish not less than 2 evaluation
10 periods for each fiscal year to compare loan and
11 loan guarantee applications and to prioritize
12 loans and loan guarantees to all or part of rural
13 communities that do not have residential
14 broadband service that meets the minimum ac-
15 ceptable level of broadband service established
16 under subsection (e);

17 “(B) give the highest priority to applicants
18 that offer to provide broadband service to the
19 greatest proportion of unserved households or
20 households that do not have residential
21 broadband service that meets the minimum ac-
22 ceptable level of broadband service established
23 under subsection (e), as—

24 “(i) certified by the affected commu-
25 nity, city, county, or designee; or

26 “(ii) demonstrated on—

1 “(I) the broadband map of the
2 affected State if the map contains ad-
3 dress-level data; or

4 “(II) the National Broadband
5 Map if address-level data is unavail-
6 able; and

7 “(C) provide equal consideration to all
8 qualified applicants, including applicants that
9 have not previously received loans or loan guar-
10 antees under paragraph (1); and

11 “(D) give priority to applicants that offer
12 in the applications of the applicants to provide
13 broadband service not predominantly for busi-
14 ness service, if at least 25 percent of the cus-
15 tomers in the proposed service territory are
16 commercial interests.”;

17 (2) in subsection (d)—

18 (A) in paragraph (1)(A), by striking clause
19 (i) and inserting the following:

20 “(i) demonstrate the ability to fur-
21 nish, improve in order to meet the min-
22 imum acceptable level of broadband service
23 established under subsection (e), or extend
24 broadband service to all or part of an
25 unserved rural area or an area below the

1 minimum acceptable level of broadband
2 service established under subsection (e);”;

3 (B) in paragraph (2)—

4 (i) in subparagraph (A), by striking
5 clause (i) and inserting the following:

6 “(i) not less than 15 percent of the
7 households in the proposed service territory
8 are unserved or have service levels below
9 the minimum acceptable level of broadband
10 service established under subsection (e);
11 and”;

12 (ii) in the heading of subparagraph
13 (B), by striking “25”; and

14 (iii) in subparagraph (C)—

15 (I) in the subparagraph heading,
16 by striking “3 OR MORE”; and

17 (II) by striking clause (i) and in-
18 serting the following:

19 “(i) IN GENERAL.—Except as pro-
20 vided in clause (ii), subparagraph (A)(ii)
21 shall not apply to an incumbent service
22 provider in the portion of a proposed serv-
23 ice territory in which the provider is up-
24 grading broadband service to meet the
25 minimum acceptable level of broadband

1 service established under subsection (e) for
2 the existing territory of the incumbent
3 service provider.”;

4 (C) in paragraph (3)(B), by adding at the
5 end the following:

6 “(iii) INFORMATION.—Information
7 submitted under this subparagraph shall
8 be—

9 “(I) certified by the affected
10 community, city, county, or designee;
11 or

12 “(II) demonstrated on—

13 “(aa) the broadband map of
14 the affected State if the map con-
15 tains address-level data; or

16 “(bb) the National
17 Broadband Map if address-level
18 data is unavailable.”;

19 (D) by striking paragraph (5) and insert-
20 ing the following:

21 “(5) NOTICE REQUIREMENTS.—The Secretary
22 shall promptly provide a fully searchable database on
23 the website of the Rural Utilities Service that con-
24 tains, at a minimum—

1 “(A) notice of each application for a loan
2 or loan guarantee under this section describing
3 the application, including—

4 “(i) the identity of the applicant;

5 “(ii) a description of each application,
6 including—

7 “(I) each area proposed to be
8 served by the applicant; and

9 “(II) the amount and type of
10 support requested by each applicant;

11 “(iii) the status of each application;

12 “(iv) the estimated number and pro-
13 portion relative to the service territory of
14 households without terrestrial-based
15 broadband service in those areas; and

16 “(v) a list of the census block groups
17 or proposed service territory, in a manner
18 specified by the Secretary, that the appli-
19 cant proposes to service;

20 “(B) notice of each entity receiving assist-
21 ance under this section, including—

22 “(i) the name of the entity;

23 “(ii) the type of assistance being re-
24 ceived;

1 “(iii) the purpose for which the entity
2 is receiving the assistance;

3 “(iv) each semiannual report sub-
4 mitted under paragraph (8)(A) (redacted
5 to protect any proprietary information in
6 the report); and

7 “(C) such other information as is sufficient
8 to allow the public to understand assistance
9 provided under this section.”;

10 (E) by adding at the end the following:

11 “(8) REPORTING.—

12 “(A) IN GENERAL.—The Secretary shall
13 require any entity receiving assistance under
14 this section to submit a semiannual report for
15 3 years after completion of the project, in a for-
16 mat specified by the Secretary, that describes—

17 “(i) the use by the entity of the assist-
18 ance, including new equipment and capac-
19 ity enhancements that support high-speed
20 broadband access for educational institu-
21 tions, health care providers, and public
22 safety service providers (including the esti-
23 mated number of end users who are cur-
24 rently using or forecasted to use the new
25 or upgraded infrastructure); and

1 “(ii) the progress towards fulfilling
2 the objectives for which the assistance was
3 granted, including—

4 “(I) the number and location of
5 residences and businesses that will re-
6 ceive new broadband service, existing
7 network service improvements, and fa-
8 cility upgrades resulting from the
9 Federal assistance;

10 “(II) the speed of broadband
11 service;

12 “(III) the average price of
13 broadband service in a proposed serv-
14 ice area;

15 “(IV) any changes in broadband
16 service adoption rates, including new
17 subscribers generated from demand-
18 side projects; and

19 “(V) any metrics the Secretary
20 determines to be appropriate;

21 “(B) ADDITIONAL REPORTING.—The Sec-
22 retary may require any additional reporting and
23 information by any recipient of any assistance
24 under this section so as to ensure compliance
25 with this section.

1 “(9) DEFAULT AND DEOBLIGATION.—In addi-
2 tion to other authority under applicable law, the Sec-
3 retary shall establish written procedures for all
4 broadband programs administered by the Rural Util-
5 ities Service under this or any other Act that, to the
6 maximum extent practicable—

7 “(A) recover funds from loan defaults;

8 “(B) deobligate any awards, less allowable
9 costs that demonstrate an insufficient level of
10 performance (including metrics determined by
11 the Secretary) or fraudulent spending, to the
12 extent funds with respect to the award are
13 available in the account relating to the program
14 established by this section;

15 “(C) award those funds, on a competitive
16 basis, to new or existing applicants consistent
17 with this section; and

18 “(D) minimize overlap among the pro-
19 grams.

20 “(10) SERVICE AREA ASSESSMENT.—The Sec-
21 retary shall, with respect to an application for assist-
22 ance under this section—

23 “(A) provide not less than 15 days for
24 broadband service providers to voluntarily sub-
25 mit information concerning the broadband serv-

1 ices that the providers offer in the census block
2 groups or tracts described in paragraph
3 (5)(A)(v) so that the Secretary may assess
4 whether the applications submitted meet the eli-
5 gibility requirements under this section; and

6 “(B) if no broadband service provider sub-
7 mits information under subparagraph (A), con-
8 sider the number of providers in the census
9 block group or tract to be established by
10 using—

11 “(i) the most current National
12 Broadband Map of the National Tele-
13 communications and Information Adminis-
14 tration; or

15 “(ii) any other data regarding the
16 availability of broadband service that the
17 Secretary may collect or obtain through
18 reasonable efforts.”;

19 (3) in subsection (e)—

20 (A) by redesignating paragraph (2) as
21 paragraph (3); and

22 (B) by striking paragraph (1) and insert-
23 ing the following:

24 “(1) IN GENERAL.—Subject to paragraph (2),
25 for purposes of this section, the minimum acceptable

1 level of broadband service for a rural area shall be
2 at least—

3 “(A) a 4-Mbps downstream transmission
4 capacity; and

5 “(B) a 1-Mbps upstream transmission ca-
6 pacity.

7 “(2) ADJUSTMENTS.—

8 “(A) IN GENERAL.—At least once every 2
9 years, the Secretary shall review, and may ad-
10 just through notice published in the Federal
11 Register, the minimum acceptable level of
12 broadband service established under paragraph
13 (1) to ensure that high quality, cost-effective
14 broadband service is provided to rural areas
15 over time.

16 “(B) CONSIDERATIONS.—In making an
17 adjustment to the minimum acceptable level of
18 broadband service under subparagraph (A), the
19 Secretary may consider establishing different
20 transmission rates for fixed broadband service
21 and mobile broadband service.”;

22 (4) in subsection (g), by striking paragraph (2)
23 and inserting the following:

1 “(2) TERMS.—In determining the term and
2 conditions of a loan or loan guarantee, the Secretary
3 may—

4 “(A) consider whether the recipient is or
5 would be serving an area that is unserved or
6 has service levels below the minimum acceptable
7 level of broadband service established under
8 subsection (e); and

9 “(B) if the Secretary makes a determina-
10 tion in the affirmative under subparagraph (A),
11 establish a limited initial deferral period or
12 comparable terms necessary to achieve the fi-
13 nancial feasibility and long-term sustainability
14 of the project.”;

15 (5) in subsection (j)—

16 (A) in paragraph (1), by inserting “, in-
17 cluding any loan terms or conditions for which
18 the Secretary provided additional assistance to
19 unserved areas” before the semicolon at the
20 end;

21 (B) in paragraph (5), by striking “and”
22 after the semicolon at the end;

23 (C) in paragraph (6), by striking the pe-
24 riod at the end and inserting “; and”; and

25 (D) by adding at the end the following:

1 “(7) the overall progress towards fulfilling the
2 goal of improving the quality of rural life by expand-
3 ing rural broadband access, as demonstrated by
4 metrics, including—

5 “(A) the number of residences and busi-
6 nesses receiving new broadband services;

7 “(B) network improvements, including fa-
8 cility upgrades and equipment purchases;

9 “(C) average broadband speeds and prices
10 on a local and statewide basis;

11 “(D) any changes in broadband adoption
12 rates; and

13 “(E) any specific activities that increased
14 high speed broadband access for educational in-
15 stitutions, health care providers, and public
16 safety service providers.”; and

17 (6) in subsections (k)(1) and (l), by striking
18 “2012” each place it appears and inserting “2018”.

19 (b) STUDY ON PROVIDING EFFECTIVE DATA FOR
20 NATIONAL BROADBAND MAP.—.

21 (1) IN GENERAL.—The Secretary, in consulta-
22 tion with the Secretary of Commerce and the Chair-
23 man of the Federal Communications Commission,
24 shall conduct a study of the ways that data collected
25 under the broadband programs of the Secretary of

1 Agriculture could be most effectively shared with the
2 Commission to support the development and mainte-
3 nance of the National Broadband Map by the Com-
4 mission.

5 (2) INCLUSIONS.—The study shall include a
6 consideration of the circumstances under which ad-
7 dress-level data could be collected by the Secretary
8 and appropriately shared with the Commission.

9 (3) COMPLETION.—Not later than 180 days
10 after the date of enactment of this Act, the Sec-
11 retary shall complete the study required under this
12 subsection.

13 (4) REPORT.—Not later than 60 days after the
14 date of completion of the study, the Secretary shall
15 submit a report describing the results of the study
16 to—

17 (A) the Committee on Agriculture of the
18 House of Representatives;

19 (B) the Committee on Energy and Com-
20 merce of the House of Representatives;

21 (C) the Committee on Agriculture, Nutri-
22 tion, and Forestry of the Senate; and

23 (D) the Committee on Commerce, Science,
24 and Transportation of the Senate.

1 **SEC. 6105. RURAL GIGABIT NETWORK PILOT PROGRAM.**

2 Title VI of the Rural Electrification Act of 1936 (7
3 U.S.C. 950bb et seq.) is amended by adding at the end
4 the following:

5 **“SEC. 603. RURAL GIGABIT NETWORK PILOT PROGRAM.**

6 “(a) DEFINITION OF ULTRA-HIGH SPEED SERV-
7 ICE.—In this section, the term ‘ultra-high speed service’
8 means broadband service operating at a 1 gigabit per sec-
9 ond downstream transmission capacity.

10 “(b) PILOT PROGRAM.—The Secretary shall establish
11 a pilot program to be known as the ‘Rural Gigabit Net-
12 work Pilot Program’, under which the Secretary may, at
13 the discretion of the Secretary, provide grants, loans, or
14 loan guarantees to eligible entities.

15 “(c) ELIGIBILITY.—

16 “(1) IN GENERAL.—To be eligible to obtain as-
17 sistance under this section, an entity shall—

18 “(A) demonstrate to the Secretary the abil-
19 ity to furnish or extend ultra-high speed service
20 to a rural area;

21 “(B) submit to the Secretary an applica-
22 tion at such time, in such manner, and con-
23 taining such information as the Secretary may
24 require;

1 “(C) not already provide ultra-high speed
2 service to a rural area within any State in the
3 proposed service territory; and

4 “(D) agree to complete buildout of ultra-
5 high speed service by not later than 3 years
6 after the initial date on which assistance under
7 this section is made available.

8 “(2) ELIGIBLE PROJECTS.—Assistance under
9 this section may only be used to carry out a project
10 in a proposed service territory if—

11 “(A) the proposed service territory is a
12 rural area; and

13 “(B) ultra-high speed service is not pro-
14 vided in any part of the proposed service terri-
15 tory.

16 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
17 is authorized to be appropriated to carry out this section
18 \$10,000,000 for each of fiscal years 2014 through 2018.”.

19 **Subtitle C—Miscellaneous**

20 **SEC. 6201. DISTANCE LEARNING AND TELEMEDICINE.**

21 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
22 2335A of the Food, Agriculture, Conservation, and Trade
23 Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking
24 “\$100,000,000 for each of fiscal years 1996 through

1 2012” and inserting “\$75,000,000 for each of fiscal years
2 2014 through 2018”.

3 (b) CONFORMING AMENDMENT.—Section 1(b) of
4 Public Law 102–551 (7 U.S.C. 950aaa note) is amended
5 by striking “2012” and inserting “2018”.

6 **SEC. 6202. AGRICULTURAL TRANSPORTATION.**

7 Section 203(j) of the Agricultural Marketing Act of
8 1946 (7 U.S.C. 1622(j)) is amended by striking “the
9 Interstate Commerce Commission, the Maritime Commis-
10 sion,,” and inserting “the Surface Transportation Board,
11 the Federal Maritime Commission,”.

12 **SEC. 6203. VALUE-ADDED AGRICULTURAL PRODUCT MAR-**
13 **KET DEVELOPMENT GRANTS.**

14 Section 231(b) of the Agricultural Risk Protection
15 Act of 2000 (7 U.S.C. 1632a(b)) is amended—

16 (1) by striking paragraph (6) and inserting the
17 following:

18 “(6) PRIORITY.—

19 “(A) ELIGIBLE INDEPENDENT PRODUCERS
20 OF VALUE-ADDED AGRICULTURAL PRODUCTS.—

21 In awarding grants under paragraph (1)(A),
22 the Secretary shall give priority to—

23 “(i) operators of small- and medium-
24 sized farms and ranches that are struc-
25 tured as family farms;

1 “(ii) beginning farmers or ranchers;

2 “(iii) socially disadvantaged farmers
3 or ranchers; and

4 “(iv) veteran farmers or ranchers (as
5 defined in section 2501(e) of the Food, Ag-
6 riculture, Conservation, and Trade Act of
7 1990 (7 U.S.C. 2279(e))).

8 “(B) ELIGIBLE AGRICULTURAL PRODUCER
9 GROUPS, FARMER OR RANCHER COOPERATIVES,
10 AND MAJORITY-CONTROLLED PRODUCER-BASED
11 BUSINESS VENTURE.—In awarding grants
12 under paragraph (1)(B), the Secretary shall
13 give priority to projects (including farmer or
14 rancher cooperative projects) that best con-
15 tribute to creating or increasing marketing op-
16 portunities for operators, farmers, and ranchers
17 described in subparagraph (A).”; and
18 (2) in paragraph (7)—

19 (A) in subparagraph (A)—

20 (i) by striking “On October 1, 2008,”
21 and inserting “On the date of enactment
22 of the Agricultural Act of 2014,”; and

23 (ii) by striking “\$15,000,000” and in-
24 serting “\$63,000,000”; and

1 (B) in subparagraph (B), by striking
2 “2012” and inserting “2018”.

3 **SEC. 6204. AGRICULTURE INNOVATION CENTER DEM-**
4 **ONSTRATION PROGRAM.**

5 Section 6402(i) of the Farm Security and Rural In-
6 vestment Act of 2002 (7 U.S.C. 1632b(i)) is amended by
7 striking “\$6,000,000 for each of fiscal years 2008 through
8 2012” and inserting “\$1,000,000 for each of fiscal years
9 2014 through 2018”.

10 **SEC. 6205. RURAL ENERGY SAVINGS PROGRAM.**

11 Subtitle E of title VI of the Farm Security and Rural
12 Investment Act of 2002 (Public Law 107–171; 116 Stat.
13 424) is amended by adding at the end the following:

14 **“SEC. 6407. RURAL ENERGY SAVINGS PROGRAM.**

15 “(a) PURPOSE.—The purpose of this section is to
16 help rural families and small businesses achieve cost sav-
17 ings by providing loans to qualified consumers to imple-
18 ment durable cost-effective energy efficiency measures.

19 “(b) DEFINITIONS.—In this section:

20 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
21 tity’ means—

22 “(A) any public power district, public util-
23 ity district, or similar entity, or any electric co-
24 operative described in section 501(c)(12) or
25 1381(a)(2) of the Internal Revenue Code of

1 1986, that borrowed and repaid, prepaid, or is
2 paying an electric loan made or guaranteed by
3 the Rural Utilities Service (or any predecessor
4 agency);

5 “(B) any entity primarily owned or con-
6 trolled by 1 or more entities described in sub-
7 paragraph (A); or

8 “(C) any other entity that is an eligible
9 borrower of the Rural Utilities Service, as de-
10 termined under section 1710.101 of title 7,
11 Code of Federal Regulations (or a successor
12 regulation).

13 “(2) ENERGY EFFICIENCY MEASURES.—The
14 term ‘energy efficiency measures’ means, for or at
15 property served by an eligible entity, structural im-
16 provements and investments in cost-effective, com-
17 mercial technologies to increase energy efficiency.

18 “(3) QUALIFIED CONSUMER.—The term ‘quali-
19 fied consumer’ means a consumer served by an eligi-
20 ble entity that has the ability to repay a loan made
21 under subsection (d), as determined by the eligible
22 entity.

23 “(4) SECRETARY.—The term ‘Secretary’ means
24 the Secretary of Agriculture, acting through the Ad-
25 ministrator of the Rural Utilities Service.

1 “(c) LOANS TO ELIGIBLE ENTITIES.—

2 “(1) IN GENERAL.—Subject to paragraph (2),
3 the Secretary shall make loans to eligible entities
4 that agree to use the loan funds to make loans to
5 qualified consumers for the purpose of implementing
6 energy efficiency measures.

7 “(2) REQUIREMENTS.—

8 “(A) IN GENERAL.—As a condition of re-
9 ceiving a loan under this subsection, an eligible
10 entity shall—

11 “(i) establish a list of energy effi-
12 ciency measures that is expected to de-
13 crease energy use or costs of qualified con-
14 sumers;

15 “(ii) prepare an implementation plan
16 for use of the loan funds, including use of
17 any interest to be received pursuant to
18 subsection (d)(1)(A);

19 “(iii) provide for appropriate measure-
20 ment and verification to ensure—

21 “(I) the effectiveness of the en-
22 ergy efficiency loans made by the eli-
23 gible entity; and

1 “(II) that there is no conflict of
2 interest in carrying out this section;
3 and

4 “(iv) demonstrate expertise in effective use of energy efficiency measures at
5 an appropriate scale.
6

7 “(B) REVISION OF LIST OF ENERGY EFFICIENCY MEASURES.—Subject to the approval of
8 the Secretary, an eligible entity may update the
9 list required under subparagraph (A)(i) to account for newly available efficiency technologies.
10
11

12 “(C) EXISTING ENERGY EFFICIENCY PROGRAMS.—An eligible entity that, at any time before the date that is 60 days after the date of
13 enactment of this section, has established an
14 energy efficiency program for qualified consumers may use an existing list of energy efficiency measures, implementation plan, or measurement and verification system of that
15 program to satisfy the requirements of subparagraph (A) if the Secretary determines the list,
16 plan, or systems are consistent with the purposes of this section.
17
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24 “(3) NO INTEREST.—A loan under this subsection shall bear no interest.
25

1 “(4) REPAYMENT.—With respect to a loan
2 under paragraph (1)—

3 “(A) the term shall not exceed 20 years
4 from the date on which the loan is closed; and

5 “(B) except as provided in paragraph (6),
6 the repayment of each advance shall be amor-
7 tized for a period not to exceed 10 years.

8 “(5) AMOUNT OF ADVANCES.—Any advance of
9 loan funds to an eligible entity in any single year
10 shall not exceed 50 percent of the approved loan
11 amount.

12 “(6) SPECIAL ADVANCE FOR START-UP ACTIVI-
13 TIES.—

14 “(A) IN GENERAL.—In order to assist an
15 eligible entity in defraying the appropriate
16 start-up costs (as determined by the Secretary)
17 of establishing new programs or modifying ex-
18 isting programs to carry out subsection (d), the
19 Secretary shall allow an eligible entity to re-
20 quest a special advance.

21 “(B) AMOUNT.—No eligible entity may re-
22 ceive a special advance under this paragraph
23 for an amount that is greater than 4 percent of
24 the loan amount received by the eligible entity
25 under paragraph (1).

1 “(C) REPAYMENT.—Repayment of the spe-
2 cial advance—

3 “(i) shall be required during the 10-
4 year period beginning on the date on which
5 the special advance is made; and

6 “(ii) at the election of the eligible en-
7 tity, may be deferred to the end of the 10-
8 year period.

9 “(7) LIMITATION.—All special advances shall be
10 made under a loan described in paragraph (1) dur-
11 ing the first 10 years of the term of the loan.

12 “(d) LOANS TO QUALIFIED CONSUMERS.—

13 “(1) TERMS OF LOANS.—Loans made by an eli-
14 gible entity to qualified consumers using loan funds
15 provided by the Secretary under subsection (c)—

16 “(A) may bear interest, not to exceed 3
17 percent, to be used for purposes that include—

18 “(i) to establish a loan loss reserve;
19 and

20 “(ii) to offset personnel and program
21 costs of eligible entities to provide the
22 loans;

23 “(B) shall finance energy efficiency meas-
24 ures for the purpose of decreasing energy usage
25 or costs of the qualified consumer by an

1 amount that ensures, to the maximum extent
2 practicable, that a loan term of not more than
3 10 years will not pose an undue financial bur-
4 den on the qualified consumer, as determined
5 by the eligible entity;

6 “(C) shall not be used to fund purchases
7 of, or modifications to, personal property unless
8 the personal property is or becomes attached to
9 real property (including a manufactured home)
10 as a fixture;

11 “(D) shall be repaid through charges
12 added to the electric bill for the property for, or
13 at which, energy efficiency measures are or will
14 be implemented, on the condition that this re-
15 quirement does not prohibit—

16 “(i) the voluntary prepayment of a
17 loan by the owner of the property; or

18 “(ii) the use of any additional repay-
19 ment mechanisms that are—

20 “(I) demonstrated to have appro-
21 priate risk mitigation features, as de-
22 termined by the eligible entity; or

23 “(II) required if the qualified
24 consumer is no longer a customer of
25 the eligible entity; and

1 “(E) shall require an energy audit by an
2 eligible entity to determine the impact of pro-
3 posed energy efficiency measures on the energy
4 costs and consumption of the qualified con-
5 sumer.

6 “(2) CONTRACTORS.—In addition to any other
7 qualified general contractor, eligible entities may
8 serve as general contractors.

9 “(e) CONTRACT FOR MEASUREMENT AND
10 VERIFICATION, TRAINING, AND TECHNICAL ASSIST-
11 ANCE.—

12 “(1) IN GENERAL.—Not later than 90 days
13 after the date of enactment of this section, the Sec-
14 retary—

15 “(A) shall establish a plan for measure-
16 ment and verification, training, and technical
17 assistance of the program; and

18 “(B) may enter into 1 or more contracts
19 with a qualified entity for the purposes of—

20 “(i) providing measurement and
21 verification activities; and

22 “(ii) developing a program to provide
23 technical assistance and training to the
24 employees of eligible entities to carry out
25 this section.

1 “(2) USE OF SUBCONTRACTORS AUTHOR-
2 IZED.—A qualified entity that enters into a contract
3 under paragraph (1) may use subcontractors to as-
4 sist the qualified entity in carrying out the contract.

5 “(f) ADDITIONAL AUTHORITY.—The authority pro-
6 vided in this section is in addition to any other authority
7 of the Secretary to offer loans under any other law.

8 “(g) EFFECTIVE PERIOD.—Subject to the availability
9 of funds and except as otherwise provided in this section,
10 the loans and other expenditures required to be made
11 under this section shall be available until expended, with
12 the Secretary authorized to make new loans as loans are
13 repaid.

14 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
15 is authorized to be appropriated to carry out this section
16 \$75,000,000 for each of fiscal years 2014 through 2018.”.

17 **SEC. 6206. STUDY OF RURAL TRANSPORTATION ISSUES.**

18 (a) IN GENERAL.—The Secretary of Agriculture and
19 the Secretary of Transportation shall publish an updated
20 version of the study described in section 6206 of the Food,
21 Conservation, and Energy Act of 2008 (as amended by
22 subsection (b)).

23 (b) ADDITION TO STUDY.—Section 6206(b) of the
24 Food, Conservation, and Energy Act of 2008 (Public Law
25 110–246; 122 Stat. 1971) is amended—

1 (1) in paragraph (3), by striking “and” at the
2 end;

3 (2) in paragraph (4), by striking the period at
4 the end and inserting “; and”; and

5 (3) by adding at the end the following:

6 “(5) the sufficiency of infrastructure along wa-
7 terways in the United States and the impact of the
8 infrastructure on the movement of agricultural goods
9 in terms of safety, efficiency and speed, as well as
10 the benefits derived through upgrades and repairs to
11 locks and dams.”.

12 (c) REPORT TO CONGRESS.—Not later than 1 year
13 after the date of enactment of this Act, the Secretary of
14 Agriculture and the Secretary of Transportation shall sub-
15 mit to Congress the updated version of the study required
16 by subsection (a).

17 **SEC. 6207. REGIONAL ECONOMIC AND INFRASTRUCTURE**
18 **DEVELOPMENT.**

19 Section 15751 of title 40, United States Code, is
20 amended—

21 (1) in subsection (a), by striking “2012” and
22 inserting “2018”; and

23 (2) in subsection (b)—

24 (A) by striking “Not more than” and in-
25 serting the following:

1 “(1) IN GENERAL.—Except as provided in para-
2 graph (2), not more than”; and

3 (B) by adding at the end the following:

4 “(2) LIMITED FUNDING.—In a case in which
5 less than \$10,000,000 is made available to a Com-
6 mission for a fiscal year under this section, para-
7 graph (1) shall not apply.”.

8 **SEC. 6208. DEFINITION OF RURAL AREA FOR PURPOSES OF**
9 **THE HOUSING ACT OF 1949.**

10 The second sentence of section 520 of the Housing
11 Act of 1949 (42 U.S.C. 1490) is amended—

12 (1) by striking “1990 or 2000 decennial census
13 shall continue to be so classified until the receipt of
14 data from the decennial census in the year 2010”
15 and inserting “1990, 2000, or 2010 decennial cen-
16 sus, and any area deemed to be a ‘rural area’ for
17 purposes of this title under any other provision of
18 law at any time during the period beginning Janu-
19 ary 1, 2000, and ending December 31, 2010, shall
20 continue to be so classified until the receipt of data
21 from the decennial census in the year 2020”; and

22 (2) by striking “25,000” and inserting
23 “35,000”.

1 **SEC. 6209. PROGRAM METRICS.**

2 (a) IN GENERAL.—The Secretary shall collect data
3 regarding economic activities created through grants and
4 loans, including any technical assistance provided as a
5 component of the grant or loan program, and measure the
6 short- and long-term viability of award recipients and any
7 entities to whom those recipients provide assistance using
8 award funds, under—

9 (1) section 231 of the Agricultural Risk Protec-
10 tion Act of 2000 (7 U.S.C. 1632a);

11 (2) section 313(b)(2) of the Rural Electrifica-
12 tion Act of 1936 (7 U.S.C. 940c(b)(2)); or

13 (3) section 310B(c), 310B(e), 310B(g), 310H,
14 or 379E, or subtitle E, of the Consolidated Farm
15 and Rural Development Act (7 U.S.C. 1932(c),
16 1932(e), 1932(g), 2008s, 2009 et seq.).

17 (b) DATA.—The data collected under subsection (a)
18 shall include information collected from recipients both
19 during the award period and for a period of time, as deter-
20 mined by the Secretary, which is not less than 2 years
21 after the award period ends.

22 (c) REPORT.—

23 (1) IN GENERAL.—Not later than 4 years after
24 the date of enactment of this Act, and every 2 years
25 thereafter, the Secretary shall submit to the Com-
26 mittee on Agriculture of the House of Representa-

1 tives and the Committee on Agriculture, Nutrition,
2 and Forestry of the Senate a report that contains
3 the data described in subsection (a).

4 (2) DETAILED INFORMATION.—The report shall
5 include detailed information regarding—

6 (A) actions taken by the Secretary to use
7 the data;

8 (B) the percentage increase of employees;

9 (C) the number of business starts and cli-
10 ents served;

11 (D) any benefit, such as an increase in rev-
12 enue or customer base; and

13 (E) such other information as the Sec-
14 retary considers appropriate.

15 **SEC. 6210. FUNDING OF PENDING RURAL DEVELOPMENT**
16 **LOAN AND GRANT APPLICATIONS.**

17 (a) IN GENERAL.—The Secretary shall use funds
18 made available under subsection (b) to provide funds for
19 applications that are pending on the date of enactment
20 of this Act in accordance with the terms and conditions
21 of section 6029 of the Food, Conservation, and Energy
22 Act of 2008 (Public Law 110–246; 122 Stat. 1955).

23 (b) FUNDING.—Notwithstanding any other provision
24 of law, beginning in fiscal year 2014, of the funds of the
25 Commodity Credit Corporation, the Secretary shall use to

1 carry out this section \$150,000,000, to remain available
2 until expended.

3 **TITLE VII—RESEARCH, EXTEN-**
4 **SION, AND RELATED MAT-**
5 **TERS**

6 **Subtitle A—National Agricultural**
7 **Research, Extension, and Teach-**
8 **ing Policy Act of 1977**

9 **SEC. 7101. OPTION TO BE INCLUDED AS NON-LAND-GRANT**
10 **COLLEGE OF AGRICULTURE.**

11 Section 1404 of the National Agricultural Research,
12 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
13 3103) is amended—

14 (1) by striking paragraph (5) and inserting the
15 following new paragraph:

16 “(5) COOPERATING FORESTRY SCHOOL.—

17 “(A) IN GENERAL.—The term ‘cooperating
18 forestry school’ means an institution—

19 “(i) that is eligible to receive funds
20 under Public Law 87–788 (commonly
21 known as the McIntire-Stennis Cooperative
22 Forestry Act; 16 U.S.C. 582a et seq.); and

23 “(ii) with respect to which the Sec-
24 retary has not received a declaration of the

1 intent of that institution to not be consid-
2 ered a cooperating forestry school.

3 “(B) TERMINATION OF DECLARATION.—A
4 declaration of the intent of an institution to not
5 be considered a cooperating forestry school sub-
6 mitted to the Secretary shall be in effect until
7 September 30, 2018.”;

8 (2) in paragraph (10)—

9 (A) in subparagraph (A)—

10 (i) in the matter preceding clause (i),
11 by striking “that”;

12 (ii) in clause (i)—

13 (I) by inserting “that” before
14 “qualify”; and

15 (II) by striking “and” at the end;

16 (iii) in clause (ii)—

17 (I) by inserting “that” before
18 “offer”; and

19 (II) by striking the period at the
20 end and inserting “; and”; and

21 (iv) by adding at the end the following
22 new clause:

23 “(iii) with respect to which the Sec-
24 retary has not received a declaration of the
25 intent of a college or university to not be

1 considered a Hispanic-serving agricultural
2 college or university.”; and

3 (B) by adding at the end the following new
4 subparagraph:

5 “(C) TERMINATION OF DECLARATION OF
6 INTENT.—A declaration of the intent of a col-
7 lege or university to not be considered a His-
8 panic-serving agricultural college or university
9 submitted to the Secretary shall be in effect
10 until September 30, 2018.”; and

11 (3) in paragraph (14)—

12 (A) in subparagraph (A), by striking “agri-
13 culture or forestry” and inserting “food and ag-
14 ricultural sciences”;

15 (B) by redesignating subparagraph (B) as
16 subparagraph (C); and

17 (C) by inserting after subparagraph (A)
18 the following new subparagraph:

19 “(B) DESIGNATION.—Not later than 90
20 days after the date of the enactment of this
21 subparagraph, the Secretary shall establish an
22 ongoing process through which public colleges
23 or universities may apply for designation as an
24 NLGCA Institution.”.

1 **SEC. 7102. NATIONAL AGRICULTURAL RESEARCH, EXTEN-**
2 **SION, EDUCATION, AND ECONOMICS ADVI-**
3 **SORY BOARD.**

4 (a) EXTENSION OF TERMINATION DATE.—Section
5 1408(h) of the National Agricultural Research, Extension,
6 and Teaching Policy Act of 1977 (7 U.S.C. 3123(h)) is
7 amended by striking “2012” and inserting “2018”.

8 (b) DUTIES OF NATIONAL AGRICULTURAL RE-
9 SEARCH, EXTENSION, EDUCATION, AND ECONOMICS AD-
10 VISORY BOARD.—Section 1408(c) of the National Agricul-
11 tural Research, Extension, and Teaching Policy Act of
12 1977 (7 U.S.C. 3123(c)) is amended—

13 (1) in paragraph (1)—

14 (A) by striking “Committee on Appropria-
15 tions of the Senate” and all that follows
16 through the semi-colon and inserting “Com-
17 mittee on Appropriations of the Senate on—”;
18 and

19 (B) by adding at the end the following new
20 subparagraphs:

21 “(A) long-term and short-term national
22 policies and priorities consistent with the pur-
23 poses specified in section 1402 for agricultural
24 research, extension, education, and economics;
25 and

1 “(B) the annual establishment of priorities
2 that—

3 “(i) are in accordance with the pur-
4 poses specified in a provision of a covered
5 law (as defined in subsection (d) of section
6 1492) under which competitive grants (de-
7 scribed in subsection (c) of such section)
8 are awarded; and

9 “(ii) the Board determines are na-
10 tional priorities.”;

11 (2) in paragraph (3), by striking “and” at the
12 end;

13 (3) in paragraph (4)—

14 (A) in subparagraph (B), by striking “the
15 national research policies and priorities set
16 forth in” inserting “national research policies
17 and priorities that are consistent with the pur-
18 poses specified in”; and

19 (B) in subparagraph (C), by striking the
20 period at the end and inserting “; and”; and

21 (4) by adding at the end the following new
22 paragraph:

23 “(5) consult with industry groups on agricul-
24 tural research, extension, education, and economics,

1 and make recommendations to the Secretary based
2 on that consultation.”.

3 **SEC. 7103. SPECIALTY CROP COMMITTEE.**

4 (a) ESTABLISHMENT OF SUBCOMMITTEE.—Section
5 1408A(a) of the National Agricultural Research, Exten-
6 sion, and Teaching Policy Act of 1977 (7 U.S.C.
7 3123a(a)) is amended—

8 (1) by striking “Not later than” and inserting
9 the following:

10 “(1) IN GENERAL.—Not later than”; and

11 (2) by adding at the end the following new
12 paragraph:

13 “(2) CITRUS DISEASE SUBCOMMITTEE.—

14 “(A) IN GENERAL.—Not later than 45
15 days after the date of the enactment of the Ag-
16 ricultural Act of 2014, the Secretary shall es-
17 tablish within the speciality crops committee,
18 and appoint the initial members of, a citrus dis-
19 ease subcommittee to carry out the responsibil-
20 ities of the subcommittee described in sub-
21 section (g) in accordance with subsection (j)(3)
22 of section 412 of the Agricultural Research, Ex-
23 tension, and Education Reform Act of 1998 (7
24 U.S.C. 7632).

1 “(B) COMPOSITION.—The citrus disease
2 subcommittee shall be composed of 9 members,
3 each of whom is a domestic producer of citrus
4 in a State, represented as follows:

5 “(i) Three of such members shall rep-
6 resent Arizona or California.

7 “(ii) Five of such members shall rep-
8 resent Florida.

9 “(iii) One of such members shall rep-
10 resent Texas.

11 “(C) MEMBERSHIP.—The Secretary may
12 appoint individuals who are not members of the
13 specialty crops committee or the Advisory
14 Board established under section 1408 as mem-
15 bers of the citrus disease subcommittee

16 “(D) TERMINATION.—The subcommittee
17 established under subparagraph (A) shall termi-
18 nate on September 30, 2018.

19 “(E) FEDERAL ADVISORY COMMITTEE
20 ACT.—The subcommittee established under sub-
21 paragraph (A) shall be covered by the exemp-
22 tion to section 9(c) of the Federal Advisory
23 Committee Act (5 U.S.C. App.) applicable to
24 the Advisory Board under section 1408(f).”.

1 (b) MEMBERS.—Section 1408A(b) of the National
2 Agricultural Research, Extension, and Teaching Policy
3 Act of 1977 (7 U.S.C. 3123a(b)) is amended—

4 (1) by striking “Individuals” and inserting the
5 following:

6 “(1) ELIGIBILITY.—Individuals”;

7 (2) by striking “Members” and inserting the
8 following:

9 “(2) SERVICE.—Members”; and

10 (3) by adding at the end the following new
11 paragraph:

12 “(3) DIVERSITY.—Membership of the specialty
13 crops committee shall reflect diversity in the spe-
14 cialty crops represented.”.

15 (c) ANNUAL COMMITTEE REPORT.—Section
16 1408A(c) of the National Agricultural Research, Exten-
17 sion, and Teaching Policy Act of 1977 (7 U.S.C.
18 3123a(c)) is amended—

19 (1) in paragraph (1), by striking “Measures”
20 and inserting “Programs”;

21 (2) by striking paragraph (2);

22 (3) by redesignating paragraphs (3), (4), and
23 (5) as paragraphs (2), (3), and (4), respectively;

24 (4) in paragraph (2) (as so redesignated)—

1 (A) in the matter preceding subparagraph
2 (A), by striking “Programs that would” and in-
3 serting “Research, extension, and teaching pro-
4 grams designed to improve competitiveness in
5 the specialty crop industry, including programs
6 that would”;

7 (B) in subparagraph (D), by inserting “,
8 including improving the quality and taste of
9 processed specialty crops” before the semicolon;
10 and

11 (C) in subparagraph (G), by inserting “the
12 remote sensing and the” before “mechaniza-
13 tion”; and

14 (5) by adding at the end the following:

15 “(5) Analysis of the alignment of specialty
16 crops committee recommendations with grants
17 awarded through the specialty crop research initia-
18 tive established under section 412 of the Agricul-
19 tural Research, Extension, and Education Reform
20 Act of 1998 (7 U.S.C. 7632).”.

21 (d) CONSULTATION WITH SPECIALTY CROP INDUS-
22 TRY.—Section 1408A of the National Agricultural Re-
23 search, Extension, and Teaching Policy Act of 1977 (7
24 U.S.C. 3123a) is amended—

1 (1) by redesignating subsections (d) and (e) as
2 subsections (e) and (f), respectively;

3 (2) by inserting after subsection (c) the fol-
4 lowing:

5 “(d) CONSULTATION WITH SPECIALTY CROP INDUS-
6 TRY.—In studying the scope and effectiveness of programs
7 under subsection (a), the specialty crops committee shall
8 consult on an ongoing basis with diverse sectors of the
9 specialty crop industry.”; and

10 (3) in subsection (f) (as redesignated by para-
11 graph (1)), by striking “subsection (d)” and insert-
12 ing “subsection (e)”.

13 (e) DUTIES OF CITRUS DISEASE SUBCOMMITTEE.—
14 Section 1408A of the National Agricultural Research, Ex-
15 tension, and Teaching Policy Act of 1977 (7 U.S.C.
16 3123a), as amended by subsection (d), is further amended
17 by adding at the end the following new subsection:

18 “(g) CITRUS DISEASE SUBCOMMITTEE DUTIES.—
19 For the purposes of subsection (j) of section 412 of the
20 Agricultural Research, Extension, and Education Reform
21 Act of 1998 (7 U.S.C. 7632), the citrus disease sub-
22 committee shall—

23 “(1) advise the Secretary on citrus research, ex-
24 tension, and development needs;

1 “(2) propose, by a favorable vote of two-thirds
2 of the members of the subcommittee, a research and
3 extension agenda and annual budgets for the funds
4 made available to carry out such subsection;

5 “(3) evaluate and review ongoing research and
6 extension funded under the emergency citrus disease
7 research and extension program (as defined in such
8 subsection);

9 “(4) establish, by a favorable vote of two-thirds
10 of the members of the subcommittee, annual prior-
11 ities for the award of grants under such subsection;

12 “(5) provide the Secretary any comments on
13 grants awarded under such subsection during the
14 previous fiscal year; and

15 “(6) engage in regular consultation and collabo-
16 ration with the Department and other institutional,
17 governmental, and private persons conducting sci-
18 entific research on, and extension activities related
19 to, the causes or treatments of citrus diseases and
20 pests, both domestic and invasive, for purposes of—

21 “(A) maximizing the effectiveness of re-
22 search and extension projects funded under the
23 citrus disease research and extension program;

24 “(B) hastening the development of useful
25 treatments;

1 “(C) avoiding duplicative and wasteful ex-
2 penditures; and

3 “(D) providing the Secretary with such in-
4 formation and advice as the Secretary may re-
5 quest.”.

6 **SEC. 7104. VETERINARY SERVICES GRANT PROGRAM.**

7 The National Agricultural Research, Extension, and
8 Teaching Policy Act of 1977 is amended by inserting after
9 section 1415A (7 U.S.C. 3151a) the following new section:

10 **“SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) QUALIFIED ENTITY.—The term ‘qualified
13 entity’ means—

14 “(A) a for-profit or nonprofit entity located
15 in the United States that, or an individual who,
16 operates a veterinary clinic providing veterinary
17 services—

18 “(i) in a rural area, as defined in sec-
19 tion 343(a) of the Consolidated Farm and
20 Rural Development Act (7 U.S.C.
21 1991(a)); and

22 “(ii) in a veterinarian shortage situa-
23 tion;

24 “(B) a State, national, allied, or regional
25 veterinary organization or specialty board rec-

1 ognized by the American Veterinary Medical
2 Association;

3 “(C) a college or school of veterinary medi-
4 cine accredited by the American Veterinary
5 Medical Association;

6 “(D) a university research foundation or
7 veterinary medical foundation;

8 “(E) a department of veterinary science or
9 department of comparative medicine accredited
10 by the Department of Education;

11 “(F) a State agricultural experiment sta-
12 tion; or

13 “(G) a State, local, or tribal government
14 agency.

15 “(2) VETERINARIAN SHORTAGE SITUATION.—
16 The term ‘veterinarian shortage situation’ means a
17 veterinarian shortage situation as determined by the
18 Secretary under section 1415A.

19 “(b) ESTABLISHMENT.—

20 “(1) COMPETITIVE GRANTS.—The Secretary
21 shall carry out a program to make competitive
22 grants to qualified entities that carry out programs
23 or activities described in paragraph (2) for the pur-
24 pose of developing, implementing, and sustaining
25 veterinary services.

1 “(2) ELIGIBILITY REQUIREMENTS.—A qualified
2 entity shall be eligible to receive a grant described
3 in paragraph (1) if the entity carries out programs
4 or activities that the Secretary determines will—

5 “(A) substantially relieve veterinarian
6 shortage situations;

7 “(B) support or facilitate private veteri-
8 nary practices engaged in public health activi-
9 ties; or

10 “(C) support or facilitate the practices of
11 veterinarians who are providing or have com-
12 pleted providing services under an agreement
13 entered into with the Secretary under section
14 1415A(a)(2).

15 “(c) AWARD PROCESSES AND PREFERENCES.—

16 “(1) APPLICATION, EVALUATION, AND INPUT
17 PROCESSES.—In administering the grant program
18 established under this section, the Secretary shall—

19 “(A) use an appropriate application and
20 evaluation process, as determined by the Sec-
21 retary; and

22 “(B) seek the input of interested persons.

23 “(2) COORDINATION PREFERENCE.—In select-
24 ing recipients of grants to be used for any of the
25 purposes described in subsection (d)(1), the Sec-

1 retary shall give a preference to qualified entities
2 that provide documentation of coordination with
3 other qualified entities, with respect to any such
4 purpose.

5 “(3) CONSIDERATION OF AVAILABLE FUNDS.—

6 In selecting recipients of grants to be used for any
7 of the purposes described in subsection (d), the Sec-
8 retary shall take into consideration the amount of
9 funds available for grants and the purposes for
10 which the grant funds will be used.

11 “(4) NATURE OF GRANTS.—A grant awarded
12 under this section shall be considered to be a com-
13 petitive research, extension, or education grant.

14 “(d) USE OF GRANTS TO RELIEVE VETERINARIAN
15 SHORTAGE SITUATIONS AND SUPPORT VETERINARY
16 SERVICES.—

17 “(1) IN GENERAL.—Except as provided in para-
18 graph (2), a qualified entity may use funds provided
19 by a grant awarded under this section to relieve vet-
20 erinarian shortage situations and support veterinary
21 services for any of the following purposes:

22 “(A) To promote recruitment (including
23 for programs in secondary schools), placement,
24 and retention of veterinarians, veterinary tech-

1 nicians, students of veterinary medicine, and
2 students of veterinary technology.

3 “(B) To allow veterinary students, veteri-
4 nary interns, externs, fellows, and residents,
5 and veterinary technician students to cover ex-
6 penses (other than the types of expenses de-
7 scribed in section 1415A(c)(5)) to attend train-
8 ing programs in food safety or food animal
9 medicine.

10 “(C) To establish or expand accredited vet-
11 erinary education programs (including faculty
12 recruitment and retention), veterinary residency
13 and fellowship programs, or veterinary intern-
14 ship and externship programs carried out in co-
15 ordination with accredited colleges of veterinary
16 medicine.

17 “(D) To provide continuing education and
18 extension, including veterinary telemedicine and
19 other distance-based education, for veterinar-
20 ians, veterinary technicians, and other health
21 professionals needed to strengthen veterinary
22 programs and enhance food safety.

23 “(E) To provide technical assistance for
24 the preparation of applications submitted to the
25 Secretary for designation as a veterinarian

1 shortage situation under this section or section
2 1415A.

3 “(2) QUALIFIED ENTITIES OPERATING VETERI-
4 NARY CLINICS.—A qualified entity described in sub-
5 section (a)(1)(A) may only use funds provided by a
6 grant awarded under this section to establish or ex-
7 pand veterinary practices, including—

8 “(A) equipping veterinary offices;

9 “(B) sharing in the reasonable overhead
10 costs of such veterinary practices, as deter-
11 mined by the Secretary; or

12 “(C) establishing mobile veterinary facili-
13 ties in which a portion of the facilities will ad-
14 dress education or extension needs.

15 “(e) SPECIAL REQUIREMENTS FOR CERTAIN
16 GRANTS.—

17 “(1) TERMS OF SERVICE REQUIREMENTS.—

18 “(A) IN GENERAL.—Funds provided
19 through a grant made under this section to a
20 qualified entity described in subsection
21 (a)(1)(A) and used by such entity under sub-
22 section (d)(2) shall be subject to an agreement
23 between the Secretary and such entity that in-
24 cludes a required term of service for such entity

1 (including a qualified entity operating as an in-
2 dividual), as established by the Secretary.

3 “(B) CONSIDERATIONS.—In establishing a
4 term of service under subparagraph (A), the
5 Secretary shall consider only—

6 “(i) the amount of the grant awarded;
7 and

8 “(ii) the specific purpose of the grant.

9 “(2) BREACH REMEDIES.—

10 “(A) IN GENERAL.—An agreement under
11 paragraph (1) shall provide remedies for any
12 breach of the agreement by the qualified entity
13 referred to in paragraph (1)(A), including re-
14 payment or partial repayment of the grant
15 funds, with interest.

16 “(B) WAIVER.—The Secretary may grant
17 a waiver of the repayment obligation for breach
18 of contract if the Secretary determines that
19 such qualified entity demonstrates extreme
20 hardship or extreme need.

21 “(C) TREATMENT OF AMOUNTS RECOV-
22 ERED.—Funds recovered under this paragraph
23 shall—

24 “(i) be credited to the account avail-
25 able to carry out this section; and

1 “(ii) remain available until expended
2 without further appropriation.

3 “(f) PROHIBITION ON USE OF GRANT FUNDS FOR
4 CONSTRUCTION.—Except as provided in subsection (d)(2),
5 funds made available for grants under this section may
6 not be used—

7 “(1) to construct a new building or facility; or

8 “(2) to acquire, expand, remodel, or alter an ex-
9 isting building or facility, including site grading and
10 improvement and architect fees.

11 “(g) REGULATIONS.—Not later than 1 year after the
12 date of the enactment of this section, the Secretary shall
13 promulgate regulations to carry out this section.

14 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
15 are authorized to be appropriated to the Secretary to carry
16 out this section \$10,000,000 for fiscal year 2014 and each
17 fiscal year thereafter, to remain available until ex-
18 pended.”.

19 **SEC. 7105. GRANTS AND FELLOWSHIPS FOR FOOD AND AG-**
20 **RICULTURE SCIENCES EDUCATION.**

21 Section 1417(m) of the National Agricultural Re-
22 search, Extension, and Teaching Policy Act of 1977 (7
23 U.S.C. 3152(m)) is amended by striking “section
24 \$60,000,000” and all that follows and inserting the fol-
25 lowing: “section—

1 “(1) \$60,000,000 for each of fiscal years 1990
2 through 2013; and

3 “(2) \$40,000,000 for each of fiscal years 2014
4 through 2018.”.

5 **SEC. 7106. AGRICULTURAL AND FOOD POLICY RESEARCH**
6 **CENTERS.**

7 Section 1419A of the National Agricultural Research,
8 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
9 3155) is amended—

10 (1) in the section heading, by inserting “**AGRI-**
11 **CULTURAL AND FOOD**” before “**POLICY**”;

12 (2) in subsection (a), in the matter preceding
13 paragraph (1)—

14 (A) by striking “Secretary may” and in-
15 serting “Secretary shall, acting through the Of-
16 fice of the Chief Economist,”; and

17 (B) by striking “make grants, competitive
18 grants, and special research grants to, and
19 enter into cooperative agreements and other
20 contracting instruments with,” and inserting
21 “make competitive grants to, or enter into coop-
22 erative agreements with,”;

23 (3) by striking subsection (b) and inserting the
24 following new subsection:

1 “(b) ELIGIBLE RECIPIENTS.—An entity eligible to
2 apply for funding under subsection (a) is a State agricul-
3 tural experiment station, college or university, or other
4 public research institution or organization that has a his-
5 tory of providing—

6 “(1) unbiased, nonpartisan economic analysis to
7 Congress on the areas specified in paragraphs (1)
8 through (4) of subsection (a); or

9 “(2) objective, scientific information to Federal
10 agencies and the public to support and enhance effi-
11 cient, accurate implementation of Federal drought
12 preparedness and drought response programs, in-
13 cluding interagency thresholds used to determine eli-
14 gibility for mitigation or emergency assistance.”;

15 (4) by redesignating subsections (c) and (d) as
16 subsections (d) and (e), respectively;

17 (5) by inserting after subsection (b) the fol-
18 lowing new subsection:

19 “(c) PREFERENCE.—In making awards under this
20 section, the Secretary shall give a preference to policy re-
21 search centers that have—

22 “(1) extensive databases, models, and dem-
23 onstrated experience in providing Congress with ag-
24 ricultural market projections, rural development
25 analysis, agricultural policy analysis, and baseline

1 projections at the farm, multiregional, national, and
2 international levels; or

3 “(2) information, analysis, and research relat-
4 ing to drought mitigation.”;

5 (6) in subsection (d)(2) (as redesignated by
6 paragraph (4)), by inserting “applied” after “theo-
7 retical and”; and

8 (7) by striking subsection (e) (as redesignated
9 by paragraph (4)) and inserting the following new
10 subsection:

11 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
12 are authorized to be appropriated to carry out this section
13 \$10,000,000 for each of fiscal years 2014 through 2018.”.

14 **SEC. 7107. EDUCATION GRANTS TO ALASKA NATIVE SERV-**
15 **ING INSTITUTIONS AND NATIVE HAWAIIAN**
16 **SERVING INSTITUTIONS.**

17 Section 1419B of the National Agricultural Research,
18 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
19 3156) is amended—

20 (1) in subsection (a)—

21 (A) in paragraph (1), by striking “(or
22 grants without regard to any requirement for
23 competition)”; and

24 (B) in paragraph (3), by striking “2012”
25 and inserting “2018”; and

1 (2) in subsection (b)—

2 (A) in paragraph (1), by striking “(or
3 grants without regard to any requirement for
4 competition)”; and

5 (B) in paragraph (3), by striking “2012”
6 and inserting “2018”.

7 **SEC. 7108. REPEAL OF HUMAN NUTRITION INTERVENTION**
8 **AND HEALTH PROMOTION RESEARCH PRO-**
9 **GRAM.**

10 Section 1424 of the National Agricultural Research,
11 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
12 3174) is repealed.

13 **SEC. 7109. REPEAL OF PILOT RESEARCH PROGRAM TO**
14 **COMBINE MEDICAL AND AGRICULTURAL RE-**
15 **SEARCH.**

16 Section 1424A of the National Agricultural Research,
17 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
18 3174a) is repealed.

19 **SEC. 7110. NUTRITION EDUCATION PROGRAM.**

20 Section 1425(f) of the National Agricultural Re-
21 search, Extension, and Teaching Policy Act of 1977 (7
22 U.S.C. 3175(f)) is amended by striking “2012” and in-
23 serting “2018”.

1 **SEC. 7111. CONTINUING ANIMAL HEALTH AND DISEASE RE-**
2 **SEARCH PROGRAMS.**

3 (a) IN GENERAL.—Section 1433 of the National Ag-
4 ricultural Research, Extension, and Teaching Policy Act
5 of 1977 (7 U.S.C. 3195) is amended to read as follows:

6 **“SEC. 1433. CONTINUING ANIMAL HEALTH AND DISEASE,**
7 **FOOD SECURITY, AND STEWARDSHIP RE-**
8 **SEARCH, EDUCATION, AND EXTENSION PRO-**
9 **GRAMS.**

10 “(a) CAPACITY AND INFRASTRUCTURE PROGRAM.—

11 “(1) IN GENERAL.—In each State with one or
12 more accredited colleges of veterinary medicine, the
13 deans of the accredited college or colleges and the
14 director of the State agricultural experiment station
15 shall develop a comprehensive animal health and dis-
16 ease research program for the State based on the
17 animal health research capacity of each eligible insti-
18 tution in the State, which shall be submitted to the
19 Secretary for approval and shall be used for the allo-
20 cation of funds available to the State under this sec-
21 tion.

22 “(2) USE OF FUNDS.—An eligible institution al-
23 located funds to carry out animal health and disease
24 research under this section may only use such
25 funds—

1 “(A) to meet the expenses of conducting
2 animal health and disease research, publishing
3 and disseminating the results of such research,
4 and contributing to the retirement of employees
5 subject to the Act of March 4, 1940 (7 U.S.C.
6 331);

7 “(B) for administrative planning and di-
8 rection; and

9 “(C) to purchase equipment and supplies
10 necessary for conducting research described in
11 subparagraph (A).

12 “(3) COOPERATION AMONG ELIGIBLE INSTITU-
13 TIONS.—The Secretary, to the maximum extent
14 practicable, shall encourage eligible institutions to
15 cooperate in setting research priorities under this
16 section through conducting regular regional and na-
17 tional meetings.

18 “(b) COMPETITIVE GRANT PROGRAM.—

19 “(1) IN GENERAL.—The Secretary, for pur-
20 poses of addressing the critical needs of animal agri-
21 culture, shall award competitive grants to eligible en-
22 tities under which such eligible entities—

23 “(A) conduct research—

24 “(i) to promote food security, such as
25 by—

1 “(I) improving feed efficiency;

2 “(II) improving energetic effi-
3 ciency;

4 “(III) connecting genomics,
5 proteomics, metabolomics and related
6 phenomena to animal production;

7 “(IV) improving reproductive ef-
8 ficiency; and

9 “(V) enhancing pre- and post-
10 harvest food safety systems; and

11 “(ii) on the relationship between ani-
12 mal and human health, such as by—

13 “(I) exploring new approaches
14 for vaccine development;

15 “(II) understanding and control-
16 ling zoonosis, including its impact on
17 food safety;

18 “(III) improving animal health
19 through feed; and

20 “(IV) enhancing product quality
21 and nutritive value; and

22 “(B) develop and disseminate to the public
23 tools and information based on the research
24 conducted under subparagraph (A) and sound
25 science.

1 “(2) ELIGIBLE ENTITIES.—An entity eligible to
2 receive a grant under this subsection is any of the
3 following:

4 “(A) A State cooperative institution.

5 “(B) An NLGCA Institution.

6 “(3) ADMINISTRATION.—In carrying out this
7 subsection, the Secretary shall establish proce-
8 dures—

9 “(A) to seek and accept proposals for
10 grants;

11 “(B) to review and determine the relevance
12 and merit of proposals, in consultation with
13 representatives of the animal agriculture indus-
14 try;

15 “(C) to provide a scientific peer review of
16 each proposal conducted by a panel of subject
17 matter experts from Federal agencies, academic
18 institutions, State animal health agencies, and
19 the animal agriculture industry; and

20 “(D) to award competitive grants on the
21 basis of merit, quality, and relevance.

22 “(c) FUNDING.—

23 “(1) AUTHORIZATION OF APPROPRIATIONS.—

24 There are authorized to be appropriated to carry out

1 this section \$25,000,000 for each of fiscal years
2 2014 through 2018.

3 “(2) RESERVATION OF FUNDS.—The Secretary
4 shall reserve not less than \$5,000,000 of the funds
5 made available under paragraph (1) to carry out the
6 capacity and infrastructure program under sub-
7 section (a).

8 “(3) INITIAL APPORTIONMENT.—The amounts
9 made available under paragraph (1) that are re-
10 maining after the reservation of funds under para-
11 graph (2), shall be apportioned as follows:

12 “(A) 15 percent of such amounts shall be
13 used to carry out the capacity and infrastruc-
14 ture program under subsection (a).

15 “(B) 85 percent of such funds shall be
16 used to carry out the competitive grant pro-
17 gram under subsection (b).

18 “(4) ADDITIONAL APPORTIONMENT.—The
19 funds reserved under paragraph (2) and apportioned
20 under paragraph (3)(A) to carry out the capacity
21 and infrastructure program under subsection (a)
22 shall be apportioned as follows:

23 “(A) Four percent shall be retained by the
24 Department of Agriculture for administration,

1 program assistance to the eligible institutions,
2 and program coordination.

3 “(B) 48 percent shall be distributed among
4 the several States in the proportion that the
5 value of and income to producers from domestic
6 livestock, poultry, and commercial aquaculture
7 species in each State bears to the total value of
8 and income to producers from domestic live-
9 stock, poultry, and commercial aquaculture spe-
10 cies in all the States. The Secretary shall deter-
11 mine the total value of and income from domes-
12 tic livestock, poultry, and commercial aqua-
13 culture species in all the States and the propor-
14 tionate value of and income from domestic live-
15 stock, poultry, and commercial aquaculture spe-
16 cies for each State, based on the most current
17 inventory of all cattle, sheep, swine, horses,
18 poultry, and commercial aquaculture species
19 published by the Department of Agriculture.

20 “(C) 48 percent shall be distributed among
21 the several States in the proportion that the
22 animal health research capacity of the eligible
23 institutions in each State bears to the total ani-
24 mal health research capacity in all the States.
25 The Secretary shall determine the animal

1 health research capacity of the eligible institu-
2 tions.

3 “(5) SPECIAL RULES FOR APPORTIONMENT OF
4 CERTAIN FUNDS.—With respect to funds reserved
5 under paragraph (2) and apportioned under para-
6 graph (3)(A) to carry out the capacity and infra-
7 structure program under subsection (a), the fol-
8 lowing shall apply:

9 “(A) When the amount available under
10 this section for allotment to any State on the
11 basis of domestic livestock, poultry, and com-
12 mercial aquaculture species values and incomes
13 exceeds the amount for which the eligible insti-
14 tution or institutions in the State are eligible on
15 the basis of animal health research capacity,
16 the excess may be used, at the discretion of the
17 Secretary, for remodeling of facilities, construc-
18 tion of new facilities, or increase in staffing,
19 proportionate to the need for added research
20 capacity.

21 “(B) Whenever a new college of veterinary
22 medicine is established in a State and is accred-
23 ited, the Secretary, after consultation with the
24 dean of such college and the director of the
25 State agricultural experiment station and where

1 applicable, deans of other accredited colleges in
2 the State, shall provide for the reallocation of
3 funds available to the State pursuant to para-
4 graph (4) between the new college and other eli-
5 gible institutions in the State, based on the ani-
6 mal health research capacity of each eligible in-
7 stitution.

8 “(C) Whenever two or more States jointly
9 establish an accredited regional college of vet-
10 erinary medicine or jointly support an accred-
11 ited college of veterinary medicine serving the
12 States involved, the Secretary is authorized to
13 make funds which are available to such States
14 pursuant to paragraph (4) available for such
15 college in such amount that reflects the com-
16 bined relative value of, and income from, do-
17 mestic livestock, poultry, and commercial aqua-
18 culture species in the cooperating States, such
19 amount to be adjusted, as necessary, pursuant
20 to subsection (a)(1) and subparagraph (B).”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) DEFINITION OF STATE COOPERATIVE INSTI-
23 TUTION.—Section 1404(18) of the National Agricul-
24 tural Research, Extension, and Teaching Policy Act
25 of 1977 (7 U.S.C. 3103(18)) is amended—

1 (A) in subparagraph (E), by striking
2 “and” at the end;

3 (B) in subparagraph (F), by striking “sub-
4 titles E, G,” and inserting “subtitles G,”;

5 (C) by redesignating subparagraph (F) as
6 subparagraph (G); and

7 (D) by inserting after subparagraph (E)
8 the following new subparagraph:

9 “(F) section 1430; and”.

10 (2) DEFINITION OF CAPACITY AND INFRA-
11 STRUCTURE PROGRAM.—Section 251(f)(1)(C)(vi) of
12 the Department of Agriculture Reorganization Act
13 of 1994 (7 U.S.C.6971(f)(1)(C)(vi)) is amended by
14 inserting “except for the competitive grant program
15 under section 1433(b)” before the period at the end.

16 (3) SUBTITLE E OF THE NATIONAL AGRICUL-
17 TURAL RESEARCH, EXTENSION, AND TEACHING POL-
18 ICY ACT OF 1977.—Subtitle E of the National Agri-
19 cultural Research, Extension, and Teaching Policy
20 Act of 1977 is amended—

21 (A) in section 1431(a) (7 U.S.C. 3193(a)),
22 by inserting “under sections 1433(a) and
23 1434” after “eligible institutions”;

24 (B) in section 1435 (7 U.S.C. 3197), by
25 striking “for allocation under the terms of this

1 subtitle” and inserting “to carry out sections
2 1433(a) and 1434”;

3 (C) in section 1436 (7 U.S.C. 3198), in
4 the first sentence, by striking “section 1433 of
5 this title” and inserting “subsection (c) of sec-
6 tion 1433 to carry out subsection (a) of such
7 section”;

8 (D) in section 1437 (7 U.S.C. 3199), in
9 the first sentence, by striking “States under
10 section 1433 of this title” and inserting “States
11 under subsection (c) of section 1433 to carry
12 out subsection (a) of such section”;

13 (E) in section 1438 (7 U.S.C. 3200), in
14 the first sentence by striking “under this sub-
15 title” and inserting “under subsection (c) of
16 section 1433 to carry out subsection (a) of such
17 section”; and

18 (F) in section 1439 (7 U.S.C. 3201), by
19 striking “under this subtitle” and inserting
20 “under subsection (c) of section 1433 to carry
21 out subsection (a) of such section or section
22 1434, as applicable,”.

23 (4) AUTHORIZATION FOR APPROPRIATIONS FOR
24 EXISTING AND CERTAIN NEW AGRICULTURAL RE-
25 SEARCH PROGRAMS.—Section 1463(c) of the Na-

1 tional Agricultural Research, Extension, and Teach-
2 ing Policy Act of 1977 (7 U.S.C. 3311(c)) is amend-
3 ed by striking “sections 1433 and 1434” and insert-
4 ing “sections 1433(a) and 1434”.

5 **SEC. 7112. GRANTS TO UPGRADE AGRICULTURAL AND**
6 **FOOD SCIENCES FACILITIES AT 1890 LAND-**
7 **GRANT COLLEGES, INCLUDING TUSKEGEE**
8 **UNIVERSITY.**

9 Section 1447(b) of the National Agricultural Re-
10 search, Extension, and Teaching Policy Act of 1977 (7
11 U.S.C. 3222b(b)) is amended by striking “2012” and in-
12 serting “2018”.

13 **SEC. 7113. GRANTS TO UPGRADE AGRICULTURE AND FOOD**
14 **SCIENCE FACILITIES AND EQUIPMENT AT IN-**
15 **SULAR AREA LAND-GRANT INSTITUTIONS.**

16 (a) SUPPORTING TROPICAL AND SUBTROPICAL AGRI-
17 CULTURAL RESEARCH.—

18 (1) IN GENERAL.—Section 1447B(a) of the Na-
19 tional Agricultural Research, Extension, and Teach-
20 ing Policy Act of 1977 (7 U.S.C. 3222b–2(a)) is
21 amended to read as follows:

22 “(a) PURPOSE.—It is the intent of Congress to assist
23 the land-grant colleges and universities in the insular
24 areas in efforts to—

1 “(1) acquire, alter, or repair facilities or rel-
2 evant equipment necessary for conducting agricul-
3 tural research; and

4 “(2) support tropical and subtropical agricul-
5 tural research, including pest and disease research.”.

6 (2) CONFORMING AMENDMENT.—Section
7 1447B of the National Agricultural Research, Ex-
8 tension, and Teaching Policy Act of 1977 (7 U.S.C.
9 3222b–2) is amended in the heading—

10 (A) by inserting “**AND SUPPORT TROP-**
11 **ICAL AND SUBTROPICAL AGRICULTURAL**
12 **RESEARCH**” after “**EQUIPMENT**”; and

13 (B) by striking “**INSTITUTIONS**” and in-
14 serting “**COLLEGES AND UNIVERSITIES**”.

15 (b) EXTENSION.—Section 1447B(d) of the National
16 Agricultural Research, Extension, and Teaching Policy
17 Act of 1977 (7 U.S.C. 3222b–2(d)) is amended by striking
18 “2012” and inserting “2018”.

19 **SEC. 7114. REPEAL OF NATIONAL RESEARCH AND TRAIN-**
20 **ING VIRTUAL CENTERS.**

21 Section 1448 of the National Agricultural Research,
22 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
23 3222c) is repealed.

1 **SEC. 7115. HISPANIC-SERVING INSTITUTIONS.**

2 Section 1455(c) of the National Agricultural Re-
3 search, Extension, and Teaching Policy Act of 1977 (7
4 U.S.C. 3241(c)) is amended by striking “2012” and in-
5 serting “2018”.

6 **SEC. 7116. COMPETITIVE GRANTS PROGRAM FOR HISPANIC**
7 **AGRICULTURAL WORKERS AND YOUTH.**

8 Section 1456(e)(1) of the National Agricultural Re-
9 search, Extension, and Teaching Policy Act of 1977 (7
10 U.S.C. 3243(e)(1)) is amended to read as follows:

11 “(1) IN GENERAL.—The Secretary shall estab-
12 lish a competitive grants program—

13 “(A) to fund fundamental and applied re-
14 search and extension at Hispanic-serving agri-
15 cultural colleges and universities in agriculture,
16 human nutrition, food science, bioenergy, and
17 environmental science; and

18 “(B) to award competitive grants to His-
19 panic-serving agricultural colleges and univer-
20 sities to provide for training in the food and ag-
21 ricultural sciences of Hispanic agricultural
22 workers and Hispanic youth working in the
23 food and agricultural sciences.”.

1 **SEC. 7117. COMPETITIVE GRANTS FOR INTERNATIONAL AG-**
2 **RICULTURAL SCIENCE AND EDUCATION PRO-**
3 **GRAMS.**

4 Section 1459A(c) of the National Agricultural Re-
5 search, Extension, and Teaching Policy Act of 1977 (7
6 U.S.C. 3292b(c)) is amended to read as follows:

7 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out this sec-
9 tion—

10 “(1) such sums as are necessary for each of fis-
11 cal years 1999 through 2013; and

12 “(2) \$5,000,000 for each of fiscal years 2014
13 through 2018.”.

14 **SEC. 7118. REPEAL OF RESEARCH EQUIPMENT GRANTS.**

15 Section 1462A of the National Agricultural Research,
16 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
17 3310a) is repealed.

18 **SEC. 7119. UNIVERSITY RESEARCH.**

19 Section 1463 of the National Agricultural Research,
20 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
21 3311) is amended by striking “2012” each place it ap-
22 pears in subsections (a) and (b) and inserting “2018”.

23 **SEC. 7120. EXTENSION SERVICE.**

24 Section 1464 of the National Agricultural Research,
25 Extension, and Teaching Policy Act of 1977 (7 U.S.C.

1 3312) is amended by striking “2012” and inserting
2 “2018”.

3 **SEC. 7121. AUDITING, REPORTING, BOOKKEEPING, AND AD-**
4 **MINISTRATIVE REQUIREMENTS.**

5 Section 1469 of the National Agricultural Research,
6 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
7 3315) is amended—

- 8 (1) by redesignating subsections (b), (c), and
9 (d) as subsections (c), (d), and (e), respectively; and
10 (2) by inserting after subsection (a) the fol-
11 lowing new subsection:

12 “(b) AGREEMENTS WITH FORMER AGRICULTURAL
13 RESEARCH FACILITIES OF THE DEPARTMENT.—To the
14 maximum extent practicable, the Secretary, for purposes
15 of supporting ongoing research and information dissemi-
16 nation activities, including supporting research and those
17 activities through co-locating scientists and other technical
18 personnel, sharing of laboratory and field equipment, and
19 providing financial support, shall enter into grants, con-
20 tracts, cooperative agreements, or other legal instruments
21 with former Department of Agriculture agricultural re-
22 search facilities.”.

23 **SEC. 7122. SUPPLEMENTAL AND ALTERNATIVE CROPS.**

24 (a) **AUTHORIZATION OF APPROPRIATIONS AND TER-**
25 **MINATION.**—Section 1473D of the National Agricultural

1 Research, Extension, and Teaching Policy Act of 1977 (7
2 U.S.C. 3319d) is amended—

3 (1) in subsection (a), by striking “2012” and
4 inserting “2018”; and

5 (2) by adding at the end the following new sub-
6 section:

7 “(e) There are authorized to be appropriated to carry
8 out this section—

9 “(1) such sums as are necessary for fiscal year
10 2013; and

11 “(2) \$1,000,000 for each of fiscal years 2014
12 through 2018.”.

13 (b) COMPETITIVE GRANTS.—Section 1473D(c)(1) of
14 the National Agricultural Research, Extension, and
15 Teaching Policy Act of 1977 (7 U.S.C. 3319d(c)(1)) is
16 amended by striking “use such research funding, special
17 or competitive grants, or other means, as the Secretary
18 determines,” and inserting “make competitive grants”.

19 **SEC. 7123. CAPACITY BUILDING GRANTS FOR NLGCA INSTI-**
20 **TUTIONS.**

21 Section 1473F(b) of the National Agricultural Re-
22 search, Extension, and Teaching Policy Act of 1977 (7
23 U.S.C. 3319i(b)) is amended by striking “2012” and in-
24 serting “2018”.

1 **SEC. 7124. AQUACULTURE ASSISTANCE PROGRAMS.**

2 (a) COMPETITIVE GRANTS.—Section 1475(b) of the
3 National Agricultural Research, Extension, and Teaching
4 Policy Act of 1977 (7 U.S.C. 3322(b)) is amended in the
5 matter preceding paragraph (1), by inserting “competi-
6 tive” before “grants”.

7 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
8 1477 of the National Agricultural Research, Extension,
9 and Teaching Policy Act of 1977 (7 U.S.C. 3324) is
10 amended to read as follows:

11 **“SEC. 1477. AUTHORIZATION OF APPROPRIATIONS.**

12 “(a) IN GENERAL.—There are authorized to be ap-
13 propriated to carry out this subtitle—

14 “(1) \$7,500,000 for each of fiscal years 1991
15 through 2013; and

16 “(2) \$5,000,000 for each of fiscal years 2014
17 through 2018.

18 “(b) PROHIBITION ON USE.—Funds made available
19 under this section may not be used to acquire or construct
20 a building.”.

21 **SEC. 7125. RANGELAND RESEARCH PROGRAMS.**

22 Section 1483(a) of the National Agricultural Re-
23 search, Extension, and Teaching Policy Act of 1977 (7
24 U.S.C. 3336(a)) is amended by striking “subtitle” and all
25 that follows and inserting the following: “subtitle—

1 “(1) \$10,000,000 for each of fiscal years 1991
2 through 2013; and

3 “(2) \$2,000,000 for each of fiscal years 2014
4 through 2018.”.

5 **SEC. 7126. SPECIAL AUTHORIZATION FOR BIOSECURITY**
6 **PLANNING AND RESPONSE.**

7 Section 1484(a) of the National Agricultural Re-
8 search, Extension, and Teaching Policy Act of 1977 (7
9 U.S.C. 3351(a)) is amended by striking “response such
10 sums as are necessary” and all that follows and inserting
11 the following: “response—

12 “(1) such sums as are necessary for each of fis-
13 cal years 2002 through 2013; and

14 “(2) \$20,000,000 for each of fiscal years 2014
15 through 2018.”.

16 **SEC. 7127. DISTANCE EDUCATION AND RESIDENT INSTRU-**
17 **CTION GRANTS PROGRAM FOR INSULAR AREA**
18 **INSTITUTIONS OF HIGHER EDUCATION.**

19 (a) DISTANCE EDUCATION GRANTS FOR INSULAR
20 AREAS.—

21 (1) COMPETITIVE GRANTS.—Section 1490(a) of
22 the National Agricultural Research, Extension, and
23 Teaching Policy Act of 1977 (7 U.S.C. 3362(a)) is
24 amended by striking “or noncompetitive”.

1 (2) AUTHORIZATION OF APPROPRIATIONS.—

2 Section 1490(f) of the National Agricultural Re-
3 search, Extension, and Teaching Policy Act of 1977
4 (7 U.S.C. 3362(f)) is amended by striking “section”
5 and all that follows and inserting the following: “sec-
6 tion—

7 “(1) such sums as are necessary for each of fis-
8 cal years 2002 through 2013; and

9 “(2) \$2,000,000 for each of fiscal years 2014
10 through 2018.”.

11 (b) RESIDENT INSTRUCTION GRANTS FOR INSULAR
12 AREAS.—Section 1491(c) of the National Agricultural Re-
13 search, Extension, and Teaching Policy Act of 1977 (7
14 U.S.C. 3363(c)) is amended by striking “such sums as
15 are necessary” and all that follows and inserting the fol-
16 lowing: “to carry out this section—

17 “(1) such sums as are necessary for each of fis-
18 cal years 2002 through 2013; and

19 “(2) \$2,000,000 for each of fiscal years 2014
20 through 2018.”.

21 **SEC. 7128. MATCHING FUNDS REQUIREMENT.**

22 (a) IN GENERAL.—The National Agricultural Re-
23 search, Extension, and Teaching Policy Act of 1977 (7
24 U.S.C. 3101 et seq.) is amended by adding at the end
25 the following new subtitle:

1 **“Subtitle P—General Provisions**

2 **“SEC. 1492. MATCHING FUNDS REQUIREMENT.**

3 “(a) IN GENERAL.—The recipient of a competitive
4 grant that is awarded by the Secretary under a covered
5 law shall provide funds, in-kind contributions, or a com-
6 bination of both, from sources other than funds provided
7 through such grant in an amount that is at least equal
8 to the amount of such grant.

9 “(b) EXCEPTION.—The matching funds requirement
10 under subsection (a) shall not apply to grants awarded—

11 “(1) to a research agency of the Department of
12 Agriculture; or

13 “(2) to an entity eligible to receive funds under
14 a capacity and infrastructure program (as defined in
15 section 251(f)(1)(C) of the Department of Agri-
16 culture Reorganization Act of 1994 (7 U.S.C.
17 6971(f)(1)(C))), including a partner of such entity.

18 “(c) WAIVER.—The Secretary may waive the match-
19 ing funds requirement under subsection (a) for a year with
20 respect to a competitive grant that involves research or
21 extension activities that are consistent with the priorities
22 established by the National Agricultural Research, Exten-
23 sion, Education, and Economics Advisory Board under
24 section 1408(c)(1)(B) for the year involved.

1 “(d) COVERED LAW.—In this section, the term ‘cov-
2 ered law’ means each of the following provisions of law:

3 “(1) This title.

4 “(2) Title XVI of the Food, Agriculture, Con-
5 servation, and Trade Act of 1990 (7 U.S.C. 5801 et
6 seq.).

7 “(3) The Agricultural Research, Extension, and
8 Education Reform Act of 1998 (7 U.S.C. 7601 et
9 seq.).

10 “(4) Part III of subtitle E of title VII of the
11 Food, Conservation, and Energy Act of 2008.

12 “(5) The Competitive, Special, and Facilities
13 Research Grant Act (7 U.S.C. 450i).”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) NATIONAL AGRICULTURAL RESEARCH, EX-
16 TENSION, AND TEACHING POLICY ACT OF 1977.—
17 The National Agricultural Research, Extension, and
18 Teaching Policy Act of 1977 is amended—

19 (A) in section 1415(a) (7 U.S.C. 3151(a)),
20 by striking the second sentence;

21 (B) in section 1475(b) (7 U.S.C. 3322(b)),
22 in the matter following paragraph (4), by strik-
23 ing “Except in the case of” and all that follows;
24 and

25 (C) in section 1480 (7 U.S.C. 3333)—

- 1 (i) by striking subsection (b); and
2 (ii) by striking “(a) IN GENERAL.—
3 The Secretary” and inserting “The Sec-
4 retary”.

5 (2) FOOD, AGRICULTURE, CONSERVATION, AND
6 TRADE ACT OF 1990.—The Food, Agriculture, Con-
7 servation, and Trade Act of 1990 is amended—

8 (A) in section 1623(d)(2) (7 U.S.C.
9 5813(d)(2)), by adding at the end the following:
10 “The matching funds requirement under section
11 1492 of the National Agricultural Research,
12 Extension, and Teaching Policy Act of 1977
13 shall not apply to grants awarded under this
14 section.”;

15 (B) in section 1671 (7 U.S.C. 5924)—

- 16 (i) by striking subsection (e); and
17 (ii) by redesignating subsection (f) as
18 subsection (e);

19 (C) in section 1672 (7 U.S.C. 5925)—

- 20 (i) by striking subsection (e); and
21 (ii) by redesignating subsections (d)
22 through (j) as subsections (c) through (i),
23 respectively; and

24 (D) in section 1672B (7 U.S.C. 5925b)—

- 25 (i) by striking subsection (e); and

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

4 (3) AGRICULTURAL RESEARCH, EXTENSION,
5 AND EDUCATION REFORM ACT OF 1998.—The Agri-
6 cultural Research, Extension, and Education Reform
7 Act of 1998 is amended—

8 (A) in section 406 (7 U.S.C. 7626)—

9 (i) by striking subsection (d); and

10 (ii) by redesignating subsections (e)
11 and (f) as subsections (d) and (e), respec-
12 tively; and

13 (B) in section 412(e) (7 U.S.C. 7632(e))—

14 (i) by striking paragraph (3); and

15 (ii) by redesignating paragraph (4) as
16 paragraph (3).

17 (4) COMPETITIVE, SPECIAL, AND FACILITIES
18 RESEARCH GRANT ACT.—Subsection (b)(9) of the
19 Competitive, Special, and Facilities Research Grant
20 Act (7 U.S.C. 450i(b)(9)) is amended—

21 (A) in subparagraph (A), by adding at the
22 end the following new clause:

23 “(iii) EXEMPTION.—The matching
24 funds requirement under section 1492 of
25 the National Agricultural Research, Exten-

1 sion, and Teaching Policy Act of 1977
2 shall not apply in the case of a grant made
3 under paragraph (6)(A).”; and
4 (B) by striking subparagraph (B).

5 (5) SUN GRANT PROGRAM.—Section
6 7526(c)(1)(D)(iv) of the Food, Conservation, and
7 Energy Act of 2008 (7 U.S.C. 8114(c)(1)(D)(iv)) is
8 amended by adding at the end the following new
9 subclause:

10 “(IV) RELATION TO OTHER
11 MATCHING FUND REQUIREMENT.—
12 The matching funds requirement
13 under section 1492 of the National
14 Agricultural Research, Extension, and
15 Teaching Policy Act of 1977 shall not
16 apply in the case of a grant provided
17 by a sun grant center or subcenter
18 under this paragraph.”.

19 (c) APPLICATION TO AMENDMENTS.—

20 (1) NEW GRANTS.—Section 1492 of the Na-
21 tional Agricultural Research, Extension, and Teach-
22 ing Policy Act of 1977, as added by subsection (a),
23 shall apply with respect to grants described in such
24 section awarded after October 1, 2014, unless the
25 provision of a covered law under which such grants

1 are awarded specifically exempts such grants from
2 the matching funds requirement under such section.

3 (2) GRANTS AWARDED ON OR BEFORE OCTO-
4 BER 1, 2014.—Notwithstanding the amendments
5 made by subsection (b), a matching funds require-
6 ment in effect on or before the date of the enact-
7 ment of this section under a provision of a covered
8 law shall continue to apply to a grant awarded under
9 such provision on or before October 1, 2014.

10 **SEC. 7129. DESIGNATION OF CENTRAL STATE UNIVERSITY**

11 **AS 1890 INSTITUTION.**

12 (a) DESIGNATION.—Any provision of a Federal law
13 relating to colleges and universities eligible to receive
14 funds under the Act of August 30, 1890 (7 U.S.C. 321
15 et seq.), including Tuskegee University, shall apply to
16 Central State University.

17 (b) FUNDING RESTRICTION.—Notwithstanding the
18 designation under subsection (a), for fiscal years 2014 and
19 2015, Central State University shall not be eligible to re-
20 ceive formula funds under—

21 (1) section 1444 or 1445 of the National Agri-
22 cultural Research, Extension, and Teaching Policy
23 Act of 1977 (7 U.S.C. 3221 and 3222);

24 (2) section 3(d) of the Smith-Lever Act (7
25 U.S.C. 343(d)) to carry out the national education

1 program established under section 1425 of the Na-
2 tional Agricultural Research, Extension, and Teach-
3 ing Policy Act of 1977 (7 U.S.C. 3175);

4 (3) the Renewable Resources Extension Act of
5 1978 (16 U.S.C. 1671 et seq.); or

6 (4) Public Law 87-788 (commonly known as
7 the McIntire-Stennis Cooperative Forestry Act; 16
8 U.S.C. 582a et seq.).

9 **Subtitle B—Food, Agriculture, Con-**
10 **servation, and Trade Act of 1990**

11 **SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICA-**
12 **TIONS.**

13 Section 1624 of the Food, Agriculture, Conservation,
14 and Trade Act of 1990 (7 U.S.C. 5814) is amended in
15 the first sentence—

16 (1) by striking “\$40,000,000 for each fiscal
17 year”; and

18 (2) by inserting “\$40,000,000 for each of fiscal
19 years 2013 through 2018” after “chapter”.

20 **SEC. 7202. INTEGRATED MANAGEMENT SYSTEMS.**

21 Section 1627(d) of the Food, Agriculture, Conserva-
22 tion, and Trade Act of 1990 (7 U.S.C. 5821(d)) is amend-
23 ed to read as follows:

24 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated to carry out this section

1 through the National Institute of Food and Agriculture
2 \$20,000,000 for each of fiscal years 2013 through 2018.”.

3 **SEC. 7203. SUSTAINABLE AGRICULTURE TECHNOLOGY DE-**
4 **VELOPMENT AND TRANSFER PROGRAM.**

5 Section 1628(f) of the Food, Agriculture, Conserva-
6 tion, and Trade Act of 1990 (7 U.S.C. 5831(f)) is amend-
7 ed to read as follows:

8 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated to carry out this sec-
10 tion—

11 “(1) such sums as are necessary for fiscal year
12 2013; and

13 “(2) \$5,000,000 for each of fiscal years 2014
14 through 2018.”.

15 **SEC. 7204. NATIONAL TRAINING PROGRAM.**

16 Section 1629(i) of the Food, Agriculture, Conserva-
17 tion, and Trade Act of 1990 (7 U.S.C. 5832(i)) is amend-
18 ed to read as follows:

19 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to carry out the Na-
21 tional Training Program \$20,000,000 for each of fiscal
22 years 2013 through 2018.”.

1 **SEC. 7205. NATIONAL GENETICS RESOURCES PROGRAM.**

2 Section 1635(b) of the Food, Agriculture, Conserva-
3 tion, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amend-
4 ed—

5 (1) by striking “such funds as may be nec-
6 essary”; and

7 (2) by striking “subtitle” and all that follows
8 and inserting the following: “subtitle—

9 “(1) such sums as are necessary for each of fis-
10 cal years 1991 through 2013; and

11 “(2) \$1,000,000 for each of fiscal years 2014
12 through 2018.”.

13 **SEC. 7206. NATIONAL AGRICULTURAL WEATHER INFORMA-**
14 **TION SYSTEM.**

15 Section 1641(c) of the Food, Agriculture, Conserva-
16 tion, and Trade Act of 1990 (7 U.S.C. 5855(c)) is amend-
17 ed—

18 (1) by striking “\$5,000,000 to carry out this
19 subtitle” and inserting “to carry out this subtitle
20 \$5,000,000”; and

21 (2) by inserting “and \$1,000,000 for each of
22 fiscal years 2014 through 2018” before the period at
23 the end.

1 **SEC. 7207. REPEAL OF RURAL ELECTRONIC COMMERCE EX-**
2 **TENSION PROGRAM.**

3 Section 1670 of the Food, Agriculture, Conservation,
4 and Trade Act of 1990 (7 U.S.C. 5923) is repealed.

5 **SEC. 7208. AGRICULTURAL GENOME INITIATIVE.**

6 Section 1671(c) of the Food, Agriculture, Conserva-
7 tion, and Trade Act of 1990 (7 U.S.C. 5924(c)) is amend-
8 ed by adding at the end the following:

9 “(3) CONSORTIA.—The Secretary shall encour-
10 age awards under this section to consortia of eligible
11 entities.”.

12 **SEC. 7209. HIGH-PRIORITY RESEARCH AND EXTENSION INI-**
13 **TIATIVES.**

14 Section 1672 of the Food, Agriculture, Conservation,
15 and Trade Act of 1990 (7 U.S.C. 5925) is amended—

16 (1) in the first sentence of subsection (a), by
17 striking “subsections (e) through (i)” and inserting
18 “subsections (d) through (g)”;

19 (2) in subsection (b)(2), in the first sentence,
20 by striking “subsections (e) through (i)” and insert-
21 ing “subsections (d) through (g)”;

22 (3) by striking subsection (h) (as redesignated
23 by section 7128(b)(2)(C)(ii));

24 (4) by redesignating subsection (i) (as redesign-
25 ated by such section) as subsection (h);

1 (5) in subsection (d) (as redesignated by such
2 section)—

3 (A) by striking paragraphs (1) through
4 (5), (7), (8), (11) through (43), (47), (48),
5 (51), and (52);

6 (B) by redesignating paragraphs (6), (9),
7 (10), (44), (45), (46), (49), and (50) as para-
8 graphs (1), (2), (3), (4), (5), (6), (7), and (8),
9 respectively; and

10 (C) by adding at the end the following new
11 paragraphs:

12 “(9) COFFEE PLANT HEALTH INITIATIVE.—Re-
13 search and extension grants may be made under this
14 section for the purposes of—

15 “(A) developing and disseminating science-
16 based tools and treatments to combat the coffee
17 berry borer (*Hypothenemus hampei*); and

18 “(B) establishing an areawide integrated
19 pest management program in areas affected by,
20 or areas at risk of, being affected by the coffee
21 berry borer.

22 “(10) CORN, SOYBEAN MEAL, CEREAL GRAINS,
23 AND GRAIN BYPRODUCTS RESEARCH AND EXTEN-
24 SION.—Research and extension grants may be made
25 under this section for the purpose of carrying out or

1 enhancing research to improve the digestibility, nu-
2 tritional value, and efficiency of the use of corn, soy-
3 bean meal, cereal grains, and grain byproducts for
4 the poultry and food animal production industries.”;

5 (6) by striking subsection (e) (as redesignated
6 by such section)and inserting the following new sub-
7 section:

8 “(e) PULSE CROP HEALTH INITIATIVE.—

9 “(1) DEFINITIONS.—In this subsection:

10 “(A) INITIATIVE.—The term ‘Initiative’
11 means the pulse crop health initiative estab-
12 lished by paragraph (2).

13 “(B) PULSE CROP.—The term ‘pulse crop’
14 means dry beans, dry peas, lentils, and chick-
15 peas.

16 “(2) ESTABLISHMENT.—The Secretary shall
17 carry out a pulse crop health competitive research
18 and extension initiative to address the critical needs
19 of the pulse crop industry by developing and dis-
20 seminating science-based tools and information, in-
21 cluding—

22 “(A) research conducted with respect to
23 pulse crops in the areas of health and nutrition,
24 such as—

1 “(i) pulse crop diets and the ability of
2 such diets to reduce obesity and associated
3 chronic disease; and

4 “(ii) the underlying mechanisms of
5 the health benefits of pulse crop consump-
6 tion;

7 “(B) research related to the functionality
8 of pulse crops, such as—

9 “(i) improving the functional prop-
10 erties of pulse crops and pulse crop frac-
11 tions; and

12 “(ii) developing new and innovative
13 technologies to improve pulse crops as an
14 ingredient in food products;

15 “(C) research conducted with respect to
16 pulse crops for purposes of enhancing sustain-
17 ability and global food security, such as—

18 “(i) improving pulse crop productivity,
19 nutrient density, and phytonutrient content
20 using plant breeding, genetics, and
21 genomics;

22 “(ii) improving pest and disease man-
23 agement, including resistance to pests and
24 diseases; and

1 “(iii) improving nitrogen fixation and
2 water use efficiency to reduce the carbon
3 and energy footprint of agriculture;

4 “(D) the optimization of systems used in
5 producing pulse crops to reduce water usage;
6 and

7 “(E) education and technical assistance
8 programs with respect to pulse crops, such as
9 programs—

10 “(i) providing technical expertise to
11 help food companies include pulse crops in
12 innovative and healthy food; and

13 “(ii) establishing an educational pro-
14 gram to encourage pulse crop consumption
15 in the United States.

16 “(3) ADMINISTRATION.—Paragraphs (4), (7),
17 (8), and (11)(B) of subsection (b) of the Competi-
18 tive, Special, and Facilities Research Grant Act (7
19 U.S.C. 450i(b)) shall apply with respect to the mak-
20 ing of a competitive grant under this subsection.

21 “(4) PRIORITIES.—In making competitive
22 grants under this subsection, the Secretary shall
23 provide a higher priority to projects that—

24 “(A) are multistate, multiinstitutional, and
25 multidisciplinary; and

1 “(B) include explicit mechanisms to com-
2 municate results to the pulse crop industry and
3 the public.

4 “(5) AUTHORIZATION OF APPROPRIATIONS.—
5 There are authorized to be appropriated to carry out
6 this subsection \$25,000,000 for each of fiscal years
7 2014 through 2018.”;

8 (7) by striking subsection (f) (as redesignated
9 by such section) and inserting the following new sub-
10 section:

11 “(f) TRAINING COORDINATION FOR FOOD AND AGRI-
12 CULTURE PROTECTION.—

13 “(1) IN GENERAL.—The Secretary shall make a
14 competitive grant to, or enter into a contract or a
15 cooperative agreement with, an eligible entity (de-
16 scribed in paragraph (2)) for purposes of estab-
17 lishing an internationally integrated training system
18 to enhance the protection of the food supply in the
19 United States, to be known as the ‘Comprehensive
20 Food Safety Training Network’ (referred to in this
21 subsection as the ‘Network’).

22 “(2) ELIGIBILITY.—

23 “(A) IN GENERAL.—For purposes of this
24 subsection, an eligible entity is a multiinstitu-
25 tional consortium that includes—

1 “(i) a nonprofit institution that pro-
2 vides food safety protection training; and

3 “(ii) one or more training centers in
4 institutions of higher education (as defined
5 in section 101 of the Higher Education
6 Act of 1965 (20 U.S.C. 1001)) that have
7 demonstrated expertise in developing and
8 delivering community-based training in
9 food supply and agricultural safety and de-
10 fense.

11 “(B) COLLECTIVE CONSIDERATION.—The
12 Secretary may consider such consortium collec-
13 tively and not on an institution-by-institution
14 basis.

15 “(3) DUTIES OF ELIGIBLE ENTITY.—As a con-
16 dition of receiving a competitive grant or entering
17 into a contract or a cooperative agreement with the
18 Secretary under this subsection, the eligible entity,
19 in cooperation with the Secretary, shall establish and
20 maintain the Network, including by—

21 “(A) providing basic, technical, manage-
22 ment, and leadership training (including by de-
23 veloping curricula) to regulatory and public
24 health officials, producers, processors, and other
25 agribusinesses;

1 “(B) serving as the hub for the adminis-
2 tration of the Network;

3 “(C) implementing a standardized national
4 curriculum to ensure the consistent delivery of
5 quality training throughout the United States;

6 “(D) building and overseeing a nationally
7 recognized instructor cadre to ensure the avail-
8 ability of highly qualified instructors;

9 “(E) reviewing training proposed through
10 the National Institute of Food and Agriculture
11 and other relevant Federal agencies that report
12 to the Secretary on the quality and content of
13 proposed and existing courses;

14 “(F) assisting Federal agencies in the im-
15 plementation of food safety protection training
16 requirements including requirements under the
17 Federal Food, Drug, and Cosmetic Act (21
18 U.S.C. 301 et seq.), the Agricultural Act of
19 2014, and any provision of law amended by
20 such Act; and

21 “(G) performing evaluation and outcome-
22 based studies to provide to the Secretary infor-
23 mation on the effectiveness and impact of train-
24 ing and metrics on jurisdictions and sectors
25 within the food safety system.

1 “(4) MEMBERSHIP.—An eligible entity may
2 alter the consortium membership to meet specific
3 training expertise needs.

4 “(5) AUTHORIZATION OF APPROPRIATIONS.—
5 There are authorized to be appropriated to carry out
6 this subsection \$20,000,000 for each of fiscal years
7 2014 through 2018, to remain available until ex-
8 pended.”;

9 (8) in subsection (g) (as redesignated by such
10 section)—

11 (A) by striking “2012” each place it ap-
12 pears in paragraphs (1)(B), (2)(B), and (3)
13 and inserting “2018”;

14 (B) in paragraph (3)—

15 (i) in the heading, by striking “PEST
16 AND PATHOGEN”; and

17 (ii) by striking “pest and pathogen
18 surveillance” and inserting “pest, patho-
19 gen, health, and population status surveil-
20 lance”;

21 (C) by redesignating paragraph (4) as
22 paragraph (5);

23 (D) by inserting after paragraph (3) the
24 following new paragraph:

1 “(4) CONSULTATION.—The Secretary, in con-
2 sultation with the Secretary of the Interior and the
3 Administrator of the Environmental Protection
4 Agency, shall publish guidance on enhancing polli-
5 nator health and the long-term viability of popu-
6 lations of pollinators, including recommendations re-
7 lated to—

8 “(A) allowing for managed honey bees to
9 forage on National Forest System lands where
10 compatible with other natural resource manage-
11 ment priorities; and

12 “(B) planting and maintaining managed
13 honey bee and native pollinator foraging on Na-
14 tional Forest System lands where compatible
15 with other natural resource management prior-
16 ities.”; and

17 (E) in paragraph (5) (as redesignated by
18 subparagraph (C))—

19 (i) by redesignating subparagraphs
20 (A) and (B) as clauses (i) and (ii), respec-
21 tively, and moving the margins of such
22 subparagraphs two ems to the right;

23 (ii) by striking “annual report de-
24 scribing” and inserting the following: “an-
25 nual report—

- 1 “(A) describing”;
- 2 (iii) in clause (i) (as redesignated by
- 3 clause (i) of this subparagraph)—
- 4 (I) by inserting “and honey bee
- 5 health disorders” after “collapse”;
- 6 and
- 7 (II) by striking “and” at the end;
- 8 (iv) in clause (ii) (as redesignated by
- 9 clause (i) of this subparagraph)—
- 10 (I) by inserting “, including best
- 11 management practices” after “strate-
- 12 gies”; and
- 13 (II) by striking the period at the
- 14 end and inserting “; and”;
- 15 (v) by adding at the end the following
- 16 new clause:
- 17 “(iii) addressing the decline of man-
- 18 aged honey bees and native pollinators;”;
- 19 and
- 20 (vi) by adding at the end the following
- 21 new subparagraphs:
- 22 “(B) assessing Federal efforts to mitigate
- 23 pollinator losses and threats to the United
- 24 States commercial beekeeping industry; and

1 “(C) providing recommendations to Con-
2 gress regarding how to better coordinate Fed-
3 eral agency efforts to address the decline of
4 managed honey bees and native pollinators.”;
5 and

6 (9) in subsection (h) (as redesignated by para-
7 graph (4)), by striking “2012” and inserting
8 “2018”.

9 **SEC. 7210. REPEAL OF NUTRIENT MANAGEMENT RESEARCH**
10 **AND EXTENSION INITIATIVE.**

11 Section 1672A of the Food, Agriculture, Conserva-
12 tion, and Trade Act of 1990 (7 U.S.C. 5925a) is repealed.

13 **SEC. 7211. ORGANIC AGRICULTURE RESEARCH AND EXTEN-**
14 **SION INITIATIVE.**

15 Section 1672B of the Food, Agriculture, Conserva-
16 tion, and Trade Act of 1990 (7 U.S.C. 5925b) is amend-
17 ed—

18 (1) in subsection (a)—

19 (A) in the matter preceding paragraph (1),
20 by inserting “, education,” after “support re-
21 search”;

22 (B) in paragraph (1), by inserting “and
23 improvement” after “development”;

24 (C) in paragraph (2), by striking “to pro-
25 ducers and processors who use organic meth-

1 ods” and inserting “of organic agricultural pro-
2 duction and methods to producers, processors,
3 and rural communities”; and

4 (D) in paragraph (6), by striking “and
5 marketing and to socioeconomic conditions”
6 and inserting “, marketing, food safety, socio-
7 economic conditions, and farm business man-
8 agement”; and

9 (2) in subsection (e) (as redesignated by section
10 7128(b)(2)(D)(ii))—

11 (A) in paragraph (1)—

12 (i) in the heading, by striking “FOR
13 FISCAL YEARS 2009 THROUGH 2012”;

14 (ii) in subparagraph (A), by striking
15 “and” at the end;

16 (iii) in subparagraph (B), by striking
17 the period at the end and inserting “;
18 and”; and

19 (iv) by adding at the end the fol-
20 lowing:

21 “(C) \$20,000,000 for each of fiscal years
22 2014 through 2018.”; and

23 (B) in paragraph (2)—

- 1 (i) in the heading, by striking “2009
2 THROUGH 2012” and inserting “2014
3 THROUGH 2018”; and
4 (ii) by striking “2009 through 2012”
5 and inserting “2014 through 2018”.

6 **SEC. 7212. REPEAL OF AGRICULTURAL BIOENERGY FEED-**
7 **STOCK AND ENERGY EFFICIENCY RESEARCH**
8 **AND EXTENSION INITIATIVE.**

9 (a) REPEAL.—Section 1672C of the Food, Agri-
10 culture, Conservation, and Trade Act of 1990 (7 U.S.C.
11 5925e) is repealed.

12 (b) CONFORMING AMENDMENT.—Section
13 251(f)(1)(D) of the Department of Agriculture Reorga-
14 nization Act of 1994 (7 U.S.C. 6971(f)(1)(D)) is amend-
15 ed—

16 (1) by striking clause (xi); and

17 (2) by redesignating clauses (xii) and (xiii) as
18 clauses (xi) and (xii), respectively.

19 **SEC. 7213. FARM BUSINESS MANAGEMENT.**

20 Section 1672D(d) of the Food, Agriculture, Con-
21 servation, and Trade Act of 1990 (7 U.S.C. 5925f(d)) is
22 amended by striking “such sums as are necessary to carry
23 out this section.” and inserting the following: “to carry
24 out this section—

1 “(1) such sums as are necessary for fiscal year
2 2013; and

3 “(2) \$5,000,000 for each of fiscal years 2014
4 through 2018.”.

5 **SEC. 7214. CENTERS OF EXCELLENCE.**

6 (a) IN GENERAL.—The Food, Agriculture, Conserva-
7 tion, and Trade Act of 1990 is amended by inserting after
8 section 1672D (7 U.S.C. 5925f) the following new section:

9 **“SEC. 1673. CENTERS OF EXCELLENCE.**

10 “(a) FUNDING PRIORITIES.—The Secretary shall
11 prioritize centers of excellence established for purposes of
12 carrying out research, extension, and education activities
13 relating to the food and agricultural sciences (as defined
14 in section 1404 of the National Agricultural Research, Ex-
15 tension, and Teaching Policy Act of 1977 (7 U.S.C.
16 3103)) for the receipt of funding for any competitive re-
17 search or extension program administered by the Sec-
18 retary.

19 “(b) COMPOSITION.—A center of excellence is com-
20 posed of 1 or more of the eligible entities specified in sub-
21 section (b)(7) of the Competitive, Special, and Facilities
22 Research Grant Act (7 U.S.C. 450i(b)(7)) that provide fi-
23 nancial or in-kind support to the center of excellence.

24 “(c) CRITERIA FOR CENTERS OF EXCELLENCE.—

1 “(1) REQUIRED EFFORTS.—The criteria for
2 recognition as a center of excellence shall include ef-
3 forts—

4 “(A) to ensure coordination and cost effec-
5 tiveness by reducing unnecessarily duplicative
6 efforts regarding research, teaching, and exten-
7 sion;

8 “(B) to leverage available resources by
9 using public-private partnerships among agri-
10 cultural industry groups, institutions of higher
11 education, and the Federal Government;

12 “(C) to implement teaching initiatives to
13 increase awareness and effectively disseminate
14 solutions to target audiences through extension
15 activities; and

16 “(D) to increase the economic returns to
17 rural communities by identifying, attracting,
18 and directing funds to high-priority agricultural
19 issues.

20 “(2) ADDITIONAL EFFORTS.—Where prac-
21 ticable, the criteria for recognition as a center of ex-
22 cellence shall include efforts to improve teaching ca-
23 pacity and infrastructure at colleges and universities
24 (including land-grant colleges and universities, co-
25 operating forestry schools, NLGCA Institutions (as

1 those terms are defined in section 1404 of the Na-
2 tional Agricultural Research, Extension, and Teach-
3 ing Policy Act of 1977 (7 U.S.C. 3103)), and
4 schools of veterinary medicine).”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 subsection (a) shall take effect on October 1, 2014.

7 **SEC. 7215. REPEAL OF RED MEAT SAFETY RESEARCH CEN-**
8 **TER.**

9 Section 1676 of the Food, Agriculture, Conservation,
10 and Trade Act of 1990 (7 U.S.C. 5929) is repealed.

11 **SEC. 7216. ASSISTIVE TECHNOLOGY PROGRAM FOR FARM-**
12 **ERS WITH DISABILITIES.**

13 Section 1680(c)(1) of the Food, Agriculture, Con-
14 servation, and Trade Act of 1990 (7 U.S.C. 5933(c)(1))
15 is amended—

16 (1) by striking “is” and inserting “are”; and

17 (2) by striking “section” and all that follows
18 and inserting the following: “section—

19 “(A) \$6,000,000 for each of fiscal years
20 1999 through 2013; and

21 “(B) \$5,000,000 for each of fiscal years
22 2014 through 2018.”.

1 **SEC. 7217. NATIONAL RURAL INFORMATION CENTER**
2 **CLEARINGHOUSE.**

3 Section 2381(e) of the Food, Agriculture, Conserva-
4 tion, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is
5 amended by striking “2012” and inserting “2018”.

6 **Subtitle C—Agricultural Research,**
7 **Extension, and Education Re-**
8 **form Act of 1998**

9 **SEC. 7301. RELEVANCE AND MERIT OF AGRICULTURAL RE-**
10 **SEARCH, EXTENSION, AND EDUCATION FUND-**
11 **ED BY THE DEPARTMENT.**

12 Section 103(a)(2) of the Agricultural Research, Ex-
13 tension, and Education Reform Act of 1998 (7 U.S.C.
14 7613(a)(2)) is amended—

15 (1) in the heading by striking “MERIT REVIEW
16 OF EXTENSION” and inserting “RELEVANCE AND
17 MERIT REVIEW OF RESEARCH, EXTENSION,”;

18 (2) in subparagraph (A)—

19 (A) by inserting “relevance and” before
20 “merit”; and

21 (B) by striking “extension or education”
22 and inserting “research, extension, or edu-
23 cation”; and

24 (3) in subparagraph (B), by inserting “on a
25 continuous basis” after “procedures”.

1 **SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EX-**
2 **TENSION COMPETITIVE GRANTS PROGRAM.**

3 Subsection (e) of section 406 of the Agricultural Re-
4 search, Extension, and Education Reform Act of 1998 (7
5 U.S.C. 7626) (as redesignated by section
6 7128(b)(3)(A)(ii)) is amended by striking “2012” and in-
7 serting “2018”.

8 **SEC. 7303. SUPPORT FOR RESEARCH REGARDING DISEASES**
9 **OF WHEAT, TRITICALE, AND BARLEY CAUSED**
10 **BY *FUSARIUM GRAMINEARUM* OR BY**
11 ***TILLETIA INDICA*.**

12 Section 408(e) of the Agricultural Research, Exten-
13 sion, and Education Reform Act of 1998 (7 U.S.C.
14 7628(e)) is amended to read as follows:

15 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to carry out this sec-
17 tion—

18 “(1) such sums as may be necessary for each
19 of fiscal years 1999 through 2013; and

20 “(2) \$10,000,000 for each of fiscal years 2014
21 through 2018.”.

22 **SEC. 7304. REPEAL OF BOVINE JOHNE’S DISEASE CONTROL**
23 **PROGRAM.**

24 Section 409 of the Agricultural Research, Extension,
25 and Education Reform Act of 1998 (7 U.S.C. 7629) is
26 repealed.

1 **SEC. 7305. GRANTS FOR YOUTH ORGANIZATIONS.**

2 Section 410(d) of the Agricultural Research, Exten-
3 sion, and Education Reform Act of 1998 (7 U.S.C.
4 7630(d)) is amended by striking “section such sums as
5 are necessary” and all that follows and inserting the fol-
6 lowing: “section—

7 “(1) such sums as are necessary for each of fis-
8 cal years 2008 through 2013; and

9 “(2) \$3,000,000 for each of fiscal years 2014
10 through 2018.”.

11 **SEC. 7306. SPECIALTY CROP RESEARCH INITIATIVE.**

12 Section 412 of the Agricultural Research, Extension,
13 and Education Reform Act of 1998 (7 U.S.C. 7632) is
14 amended—

15 (1) in subsection (a)—

16 (A) by redesignating paragraphs (1) and
17 (2) as paragraphs (2) and (3), respectively;

18 (B) by inserting before paragraph (2) (as
19 so redesignated), the following new paragraph:

20 “(1) CITRUS DISEASE SUBCOMMITTEE.—The
21 term ‘citrus disease subcommittee’ means the sub-
22 committee established under section 1408A(a)(2) of
23 the National Agricultural Research, Extension, and
24 Teaching Policy Act of 1977.”;and

25 (C) by adding at the end the following new
26 paragraph:

1 “(4) SPECIALTY CROPS COMMITTEE.—The term
2 ‘specialty crops committee’ means the committee es-
3 tablished under section 1408A of the National Agri-
4 cultural Research, Extension, and Teaching Policy
5 Act of 1977 (7 U.S.C. 3123a).”;

6 (2) in subsection (b)—

7 (A) in paragraph (1), by striking “and
8 genomics” and inserting “genomics, and other
9 methods”; and

10 (B) in paragraph (3), by inserting “han-
11 dling and processing,” after “production effi-
12 ciency,”;

13 (3) in subsection (c), in the matter preceding
14 paragraph (1), by striking “the Initiative” and in-
15 serting “this section”;

16 (4) by striking subsection (d) and inserting the
17 following new subsection:

18 “(d) REVIEW OF PROPOSALS.—In carrying out this
19 section, the Secretary shall award competitive grants on
20 the basis of—

21 “(1) a scientific peer review conducted by a
22 panel of subject matter experts from Federal agen-
23 cies, non-Federal entities, and the specialty crop in-
24 dustry; and

1 “(2) a review and ranking for merit, relevance,
2 and impact conducted by a panel of specialty crop
3 industry representatives for the specific specialty
4 crop.”;

5 (5) by redesignating subsections (e) (as amend-
6 ed by section 7128(b)(3)(B)), (f), (g), and (h) as
7 subsections (g), (h), (i), and (k), respectively;

8 (6) by inserting after subsection (d) the fol-
9 lowing new subsections:

10 “(e) CONSULTATION.—Each fiscal year, before con-
11 ducting the scientific peer review described in paragraph
12 (1) of subsection (d) and the merit and relevancy review
13 described in paragraph (2) of such subsection, the Sec-
14 retary shall consult with the specialty crops committee re-
15 garding such reviews. The committee shall provide the
16 Secretary—

17 “(1) in the first fiscal year in which that con-
18 sultation occurs, any recommendations for con-
19 ducting such reviews in such fiscal year; and

20 “(2) in any subsequent fiscal year in which
21 such consultation occurs—

22 “(A) an assessment of the procedures and
23 objectives used by the Secretary for such re-
24 views in the previous fiscal year;

1 “(B) any recommendations for such re-
2 views for the current fiscal year; and

3 “(C) any comments on grants awarded
4 under subsection (d) during the previous fiscal
5 year.

6 “(f) REPORT.—The Secretary shall submit to the
7 Committee on Agriculture of the House of Representatives
8 and the Committee on Agriculture, Nutrition, and For-
9 estry of the Senate a report on—

10 “(1) the results of the consultations with the
11 specialty crops committee (and subcommittees there-
12 of) conducted under subsection (e) of this section
13 and subsection (g) of section 1408A of the National
14 Agricultural Research, Extension, and Teaching Pol-
15 icy Act of 1977 (7 U.S.C. 3123a);

16 “(2) the specialty crops committee’s (and sub-
17 committees thereof) recommendations, if any, pro-
18 vided to the Secretary during such consultations;
19 and

20 “(3) the specialty crops committee’s (and sub-
21 committees thereof) review of the grants awarded
22 under subsection (d) and (j), as applicable, in the
23 previous fiscal year.”;

24 (7) in subsection (g) (as so redesignated)—

1 (A) by striking paragraph (1) and insert-
2 ing the following new paragraph:

3 “(1) IN GENERAL.—With respect to grants
4 awarded under this section, the Secretary shall seek
5 and accept proposals for grants.”; and

6 (B) in paragraph (3) (as redesignated by
7 section 7128(b)(3)(B)), by striking “this sec-
8 tion” and inserting “the Initiative”;

9 (8) in subsection (h) (as so redesignated), in
10 the matter preceding paragraph (1), by striking
11 “this section” and inserting “the Initiative”;

12 (9) in subsection (k) (as so redesignated)—

13 (A) in paragraph (1)—

14 (i) by striking “(1) MANDATORY
15 FUNDING FOR FISCAL YEARS 2008
16 THROUGH 2012.—Of the funds” and insert-
17 ing the following:

18 “(1) MANDATORY FUNDING.—

19 “(A) FISCAL YEARS 2008 THROUGH 2012.—
20 Of the funds”; and

21 (ii) by adding at the end the following
22 new subparagraph:

23 “(B) SUBSEQUENT FUNDING.—Of the
24 funds of the Commodity Credit Corporation, the
25 Secretary shall make available to carry out this

1 section \$80,000,000 for fiscal year 2014 and
2 each fiscal year thereafter.

3 “(C) RESERVATION.—For each of fiscal
4 years 2014 through 2018, the Secretary shall
5 reserve not less than \$25,000,000 of the funds
6 made available under subparagraph (B) to
7 carry out the program established under sub-
8 section (j).

9 “(D) AVAILABILITY OF FUNDS.—Funds
10 reserved under subparagraph (C) shall remain
11 available and reserved for the purpose described
12 in such subparagraph until expended.”; and

13 (B) in paragraph (2)—

14 (i) in the heading, by striking “2008
15 THROUGH 2012” and inserting “2014
16 THROUGH 2018” ; and

17 (ii) by striking “2008 through 2012”
18 and inserting “2014 through 2018”; and

19 (10) by inserting after subsection (i) the fol-
20 lowing new subsection:

21 “(j) EMERGENCY CITRUS DISEASE RESEARCH AND
22 EXTENSION PROGRAM.—

23 “(1) ESTABLISHMENT AND PURPOSE.—The
24 Secretary shall establish a competitive research and
25 extension grant program to combat diseases of citrus

1 under which the Secretary awards competitive
2 grants to eligible entities—

3 “(A) to conduct scientific research and ex-
4 tension activities, technical assistance, and de-
5 velopment activities to combat citrus diseases
6 and pests, both domestic and invasive, which
7 pose imminent harm to the United States citrus
8 production and threaten the future viability of
9 the citrus industry, including *huanglongbing*
10 and the Asian Citrus Psyllid; and

11 “(B) to provide support for the dissemina-
12 tion and commercialization of relevant informa-
13 tion, techniques, and technologies discovered
14 pursuant to research and extension activities
15 funded through—

16 “(i) the emergency citrus disease re-
17 search and extension program; or

18 “(ii) other research and extension
19 projects intended to solve problems caused
20 by citrus production diseases and invasive
21 pests.

22 “(2) PRIORITY.—In awarding grants under this
23 subsection, the Secretary shall give priority to grants
24 that address the research and extension priorities es-
25 tablished pursuant to subsection (g)(4) of section

1 1408A of the National Agricultural Research, Ex-
2 tension, and Teaching Policy Act of 1977 (7 U.S.C.
3 3123a).

4 “(3) COORDINATION.—When developing the
5 proposed research and extension agenda and budget
6 under subsection (g)(2) of section 1408A of the Na-
7 tional Agricultural Research, Extension, and Teach-
8 ing Policy Act of 1977 (7 U.S.C. 3123a) for the
9 funds made available under this subsection for a fis-
10 cal year, the citrus disease subcommittee shall—

11 “(A) seek input from Federal and State
12 agencies and other entities involved in citrus
13 disease response; and

14 “(B) take into account other public and
15 private citrus-related research and extension
16 projects and the funding for such projects.

17 “(4) NONDUPLICATION.—The Secretary shall
18 ensure that funds made available to carry out the
19 emergency citrus disease research and extension ac-
20 tivities under this subsection shall be in addition to
21 and not supplant funds made available to carry out
22 other citrus disease activities carried out by the De-
23 partment of Agriculture in consultation with State
24 agencies.

1 “(5) AUTHORIZATION OF APPROPRIATIONS.—In
2 addition to the amounts reserved under subsection
3 (k)(1)(C), there are authorized to be appropriated to
4 carry out this subsection, \$25,000,000 for each of
5 fiscal years 2014 through 2018.

6 “(6) DEFINITIONS.—In this subsection:

7 “(A) CITRUS.—The term ‘citrus’ means
8 edible fruit of the family Rutaceae, including
9 any hybrid of such fruits and products of such
10 hybrids that are produced for commercial pur-
11 poses in the United States.

12 “(B) CITRUS PRODUCER.—The term ‘cit-
13 rus producer’ means any person that is engaged
14 in the domestic production and commercial sale
15 of citrus in the United States.

16 “(C) EMERGENCY CITRUS DISEASE RE-
17 SEARCH AND EXTENSION PROGRAM.—The term
18 ‘emergency citrus disease research and exten-
19 sion program’ means the emergency citrus re-
20 search and extension grant program established
21 under this subsection.”.

22 **SEC. 7307. [H7308] FOOD ANIMAL RESIDUE AVOIDANCE**
23 **DATABASE PROGRAM.**

24 Section 604(e) of the Agricultural Research, Exten-
25 sion, and Education Reform Act of 1998 (7 U.S.C.

1 7642(e)) is amended by striking “2012” and inserting
2 “2018”.

3 **SEC. 7308. REPEAL OF NATIONAL SWINE RESEARCH CEN-**
4 **TER.**

5 Section 612 of the Agricultural Research, Extension,
6 and Education Reform Act of 1998 (Public Law 105–185;
7 112 Stat. 605) is repealed.

8 **SEC. 7309. OFFICE OF PEST MANAGEMENT POLICY.**

9 Section 614(f) of the Agricultural Research, Exten-
10 sion, and Education Reform Act of 1998 (7 U.S.C.
11 7653(f)) is amended—

12 (1) by striking “such sums as are necessary”;
13 and

14 (2) by striking “section” and all that follows
15 and inserting the following: “section—

16 “(1) such sums as are necessary for each of fis-
17 cal years 1999 through 2013; and

18 “(2) \$3,000,000 for each of fiscal years 2014
19 through 2018.”.

20 **SEC. 7310. FORESTRY PRODUCTS ADVANCED UTILIZATION**
21 **RESEARCH.**

22 Subtitle B of title VI of the Agricultural Research,
23 Extension, and Education Reform Act of 1998 (7 U.S.C.
24 7651 et seq.) is amended by inserting after section 616
25 (7 U.S.C. 7655) the following new section:

1 **“SEC. 617. FORESTRY PRODUCTS ADVANCED UTILIZATION**
2 **RESEARCH.**

3 “(a) ESTABLISHMENT.—The Secretary shall estab-
4 lish a forestry and forestry products research and exten-
5 sion initiative to develop and disseminate science-based
6 tools that address the needs of the forestry sector and
7 their respective regions, forest and timberland owners and
8 managers, and forestry products engineering, manufac-
9 turing, and related interests.

10 “(b) ACTIVITIES.—The initiative described in sub-
11 section (a) shall include the following activities:

12 “(1) Research conducted for purposes of—

13 “(A) wood quality improvement with re-
14 spect to lumber strength and grade yield;

15 “(B) the development of novel engineered
16 lumber products and renewable energy from
17 wood; and

18 “(C) enhancing the longevity, sustain-
19 ability, and profitability of timberland through
20 sound management and utilization.

21 “(2) Demonstration activities and technology
22 transfer to demonstrate the beneficial characteristics
23 of wood as a green building material, including in-
24 vestments in life cycle assessment for wood products.

25 “(3) Projects designed to improve—

1 “(A) forestry products, lumber, and eval-
2 uation standards and valuation techniques;

3 “(B) lumber quality and value-based, on-
4 forest management techniques; and

5 “(C) forestry products conversion and
6 manufacturing efficiency, productivity, and
7 profitability over the long term (including for-
8 estry product marketing).

9 “(c) GRANTS.—

10 “(1) IN GENERAL.—The Secretary shall make
11 competitive grants to carry out the activities de-
12 scribed in subsection (b).

13 “(2) PRIORITIES.—In making grants under this
14 section, the Secretary shall give higher priority to
15 activities that are carried out by entities that—

16 “(A) are multistate, multiinstitutional, or
17 multidisciplinary;

18 “(B) have explicit mechanisms to commu-
19 nicate results to producers, forestry industry
20 stakeholders, policymakers, and the public; and

21 “(C) have—

22 “(i) extensive history and dem-
23 onstrated experience in forestry and for-
24 estry products research;

1 “(ii) existing capacity in forestry
2 products research and dissemination; and

3 “(iii) a demonstrated means of evalu-
4 ating and responding to the needs of the
5 related commercial sector.

6 “(3) ADMINISTRATION.—In making grants
7 under this section, the Secretary shall follow the re-
8 quirements of paragraphs (4), (7), (8), and (11)(B)
9 of subsection (b) of the Competitive, Special, and
10 Facilities Research Grant Act (7 U.S.C. 450i).

11 “(4) TERM.—The term of a grant made under
12 this section may not exceed 10 years.

13 “(d) COORDINATION.— The Secretary shall ensure
14 that any activities carried out under this section are car-
15 ried out in coordination with the Forest Service, including
16 the Forest Products Laboratory, and other appropriate
17 agencies of the Department.

18 “(e) REPORT.—The Secretary shall submit an annual
19 report to the Committee on Agriculture of the House of
20 Representatives and the Committee on Agriculture, Nutri-
21 tion, and Forestry of the Senate describing, for the period
22 covered by the report—

23 “(1) the research that has been conducted
24 under paragraph (2) of subsection (b);

1 “(2) the number of buildings the Forest Service
2 has built with wood as the primary structural mate-
3 rial; and

4 “(3) the investments made by the Forest Serv-
5 ice in green building and wood promotion.

6 “(f) AUTHORIZATION OF APPROPRIATIONS.—

7 “(1) IN GENERAL.—There are authorized to be
8 appropriated to carry out this section \$7,000,000 for
9 each of fiscal years 2014 through 2018.

10 “(2) MATCHING FUNDS.—To the extent prac-
11 ticable, the Secretary shall match any funds made
12 available under paragraph (1) with funds made
13 available under section 7 of the Forest and Range-
14 land Renewable Resources Research Act of 1978 (16
15 U.S.C.1646).”.

16 **SEC. 7311. REPEAL OF STUDIES OF AGRICULTURAL RE-**
17 **SEARCH, EXTENSION, AND EDUCATION.**

18 Subtitle C of title VI of the Agricultural Research,
19 Extension, and Education Reform Act of 1998 (7 U.S.C.
20 7671 et seq.) is repealed.

21 **Subtitle D—Other Laws**

22 **SEC. 7401. CRITICAL AGRICULTURAL MATERIALS ACT.**

23 Section 16(a) of the Critical Agricultural Materials
24 Act (7 U.S.C. 178n(a)) is amended—

1 (1) by striking “such sums as are necessary”;

2 and

3 (2) by striking “Act” and all that follows and

4 inserting the following: “Act—

5 “(1) such sums as are necessary for each of fis-
6 cal years 1991 through 2013; and

7 “(2) \$2,000,000 for each of fiscal years 2014
8 through 2018.”.

9 **SEC. 7402. EQUITY IN EDUCATIONAL LAND-GRANT STATUS**

10 **ACT OF 1994.**

11 (a) DEFINITION OF 1994 INSTITUTION.—

12 (1) IN GENERAL.—Section 532 of the Equity in
13 Educational Land-Grant Status Act of 1994 (7
14 U.S.C. 301 note; Public Law 103–382) is amended
15 to read as follows:

16 **“SEC. 532. DEFINITION OF 1994 INSTITUTION.**

17 “In this part, the term ‘1994 Institution’ means any
18 of the following colleges:

19 “(1) Aaniiih Nakoda College.

20 “(2) Bay Mills Community College.

21 “(3) Blackfeet Community College.

22 “(4) Cankdeska Cikana Community College.

23 “(5) Chief Dull Knife College.

24 “(6) College of Menominee Nation.

25 “(7) College of the Muscogee Nation.

- 1 “(8) D–Q University.
- 2 “(9) Dine College.
- 3 “(10) Fond du Lac Tribal and Community Col-
4 lege.
- 5 “(11) Fort Berthold Community College.
- 6 “(12) Fort Peck Community College.
- 7 “(13) Haskell Indian Nations University.
- 8 “(14) Ilisagvik College.
- 9 “(15) Institute of American Indian and Alaska
10 Native Culture and Arts Development.
- 11 “(16) Keweenaw Bay Ojibwa Community Col-
12 lege.
- 13 “(17) Lac Courte Oreilles Ojibwa Community
14 College.
- 15 “(18) Leech Lake Tribal College.
- 16 “(19) Little Big Horn College.
- 17 “(20) Little Priest Tribal College.
- 18 “(21) Navajo Technical College.
- 19 “(22) Nebraska Indian Community College.
- 20 “(23) Northwest Indian College.
- 21 “(24) Oglala Lakota College.
- 22 “(25) Saginaw Chippewa Tribal College.
- 23 “(26) Salish Kootenai College.
- 24 “(27) Sinte Gleska University.
- 25 “(28) Sisseton Wahpeton College.

1 “(29) Sitting Bull College.

2 “(30) Southwestern Indian Polytechnic Insti-
3 tute.

4 “(31) Stone Child College.

5 “(32) Tohono O’odham Community College.

6 “(33) Turtle Mountain Community College.

7 “(34) United Tribes Technical College.

8 “(35) White Earth Tribal and Community Col-
9 lege.”.

10 (2) EFFECTIVE DATE.—The amendments made
11 by paragraph (1) shall take effect on October 1,
12 2014.

13 (b) ENDOWMENT FOR 1994 INSTITUTIONS.—Section
14 533(b) of the Equity in Educational Land-Grant Status
15 Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)
16 is amended in the first sentence by striking “2012” and
17 inserting “2018”.

18 (c) INSTITUTIONAL CAPACITY BUILDING GRANTS.—
19 Section 535 of the Equity in Educational Land-Grant Sta-
20 tus Act of 1994 (7 U.S.C. 301 note; Public Law 103–
21 382) is amended by striking “2012” each place it appears
22 in subsections (b)(1) and (c) and inserting “2018”.

23 (d) RESEARCH GRANTS.—

24 (1) AUTHORIZATION OF APPROPRIATIONS.—
25 Section 536(c) of the Equity in Educational Land-

1 Grant Status Act of 1994 (7 U.S.C. 301 note; Pub-
2 lic Law 103–382) is amended in the first sentence
3 by striking “2012” and inserting “2018”.

4 (2) RESEARCH GRANT REQUIREMENTS.—Sec-
5 tion 536(b) of the Equity in Educational Land-
6 Grant Status Act of 1994 (7 U.S.C. 301 note; Pub-
7 lic Law 103–382) is amended by striking “with at
8 least 1 other land-grant college or university” and
9 all that follows and inserting the following: “with—
10 “(1) the Agricultural Research Service of the
11 Department of Agriculture; or

12 “(2) at least 1—

13 “(A) other land-grant college or university
14 (exclusive of another 1994 Institution);

15 “(B) non-land-grant college of agriculture
16 (as defined in section 1404 of the National Ag-
17 ricultural Research, Extension, and Teaching
18 Policy Act of 1977 (7 U.S.C. 3103)); or

19 “(C) cooperating forestry school (as de-
20 fined in that section).”.

21 **SEC. 7403. RESEARCH FACILITIES ACT.**

22 Section 6(a) of the Research Facilities Act (7 U.S.C.
23 390d(a)) is amended by striking “2012” and inserting
24 “2018”.

1 **SEC. 7404. COMPETITIVE, SPECIAL, AND FACILITIES RE-**
2 **SEARCH GRANT ACT.**

3 (a) EXTENSION.—Subsection (b)(11)(A) of the Com-
4 petitive, Special, and Facilities Research Grant Act (7
5 U.S.C. 450i(b)(11)(A)) is amended, in the matter pre-
6 ceding clause (i), by striking “2012” and inserting
7 “2018”.

8 (b) PRIORITY AREAS.—Subsection (b)(2) of the Com-
9 petitive, Special, and Facilities Research Grant Act (7
10 U.S.C. 450i(b)(2)) is amended—

11 (1) in subparagraph (B)—

12 (A) in clause (vii), by striking “and” at the
13 end;

14 (B) in clause (viii), by striking the period
15 at the end and inserting a semicolon; and

16 (C) by adding at the end the following new
17 clauses:

18 “(ix) the research and development of
19 surveillance methods, vaccines, vaccination
20 delivery systems, or diagnostic tests for
21 pests and diseases, including—

22 “(I) epizootic diseases in domes-
23 tic livestock (including deer, elk,
24 bison, and other animals of the family
25 Cervidae); and

1 “(II) zoonotic diseases (including
2 bovine brucellosis and bovine tuber-
3 culosis) in domestic livestock or wild-
4 life reservoirs that present a potential
5 concern to public health; and

6 “(x) the identification of animal drug
7 needs and the generation and dissemina-
8 tion of data for safe and effective thera-
9 peutic applications of animal drugs for
10 minor species and minor uses of such
11 drugs in major species.”;

12 (2) in subparagraph (D)—

13 (A) in the heading, by striking “RENEW-
14 ABLE ENERGY” and inserting “BIOENERGY”;

15 (B) by redesignating clauses (iv), (v), and
16 (vi) as clauses (v), (vi), and (vii), respectively;
17 and

18 (C) by inserting after clause (iii) the fol-
19 lowing new clause:

20 “(iv) the effectiveness of conservation
21 practices and technologies designed to ad-
22 dress nutrient losses and improve water
23 quality;”; and

24 (3) in subparagraph (F)—

1 (A) in the matter preceding clause (i), by
2 inserting “economics,” after “trade,”;

3 (B) by redesignating clauses (v) and (vi)
4 as clauses (vi) and (vii), respectively; and

5 (C) by inserting after clause (iv) the fol-
6 lowing new clause:

7 “(v) the economic costs, benefits, and
8 viability of producers adopting conserva-
9 tion practices and technologies designed to
10 improve water quality;”.

11 (c) GENERAL ADMINISTRATION.—Subsection (b)(4)
12 of the Competitive, Special, and Facilities Research Grant
13 Act (7 U.S.C. 450i(b)(4)) is amended—

14 (1) in subparagraph (D), by striking “and” at
15 the end;

16 (2) in subparagraph (E), by striking the period
17 at the end and inserting “; and”; and

18 (3) by adding at the end the following new sub-
19 paragraph:

20 “(F) establish procedures, including
21 timelines, under which an entity established
22 under a commodity promotion law (as such
23 term is defined under section 501(a) of the
24 Federal Agriculture Improvement and Reform
25 Act of 1996 (7 U.S.C. 7401(a))) or a State

1 commodity board (or other equivalent State en-
2 tity) may directly submit to the Secretary for
3 consideration proposals for requests for applica-
4 tions that specifically address particular issues
5 related to the priority areas specified in para-
6 graph (2). ”.

7 (d) SPECIAL CONSIDERATIONS.—Subsection (b)(6) of
8 the Competitive, Special, and Facilities Research Grant
9 Act (7 U.S.C. 450i(b)(6)) is amended—

10 (1) in subparagraph (C), by striking “and” at
11 the end;

12 (2) in subparagraph (D), by striking the period
13 at the end and inserting “; and”; and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(E) to eligible entities to carry out the
17 specific proposals submitted under procedures
18 established under paragraph (4)(F) only if such
19 specific proposals are consistent with a priority
20 area specified in paragraph (2).”.

21 (e) ELIGIBLE ENTITIES.—Subsection (b)(7)(G) of
22 the Competitive, Special, and Facilities Research Grant
23 Act (7 U.S.C. 450i(b)(7)(G)) is amended by striking “or
24 corporations” and inserting “, foundations, or corpora-
25 tions”.

1 (f) SPECIAL CONTRIBUTION REQUIREMENT FOR
2 CERTAIN GRANTS.—Subsection (b)(9) of the Competitive,
3 Special, and Facilities Research Grant Act (7 U.S.C.
4 450i(b)(9)) (as amended by section 7128(b)(4)) is amend-
5 ed by adding at the end the following new subparagraph:

6 “(B) CONTRIBUTION REQUIREMENT FOR
7 COMMODITY PROMOTION GRANTS.—

8 “(i) IN GENERAL.—Subject to clauses
9 (ii) and (iii), as a condition of funding a
10 grant under paragraph (6)(E), the Sec-
11 retary shall require that the grant be
12 matched with an equal contribution of
13 funds from the entities described in para-
14 graph (4)(F) submitting proposals under
15 procedures established under such para-
16 graph.

17 “(ii) AVAILABILITY OF FUNDS.—

18 “(I) IN GENERAL.—Contribu-
19 tions required by clause (i) shall be
20 available to the Secretary for obliga-
21 tion and remain available until ex-
22 pended for the purpose of making
23 grants under paragraph (6)(E).

24 “(II) ADMINISTRATION.—Of
25 amounts contributed to the Secretary

1 under clause (i), not more than 4 per-
2 cent may be retained by the Secretary
3 to pay administrative costs incurred
4 by the Secretary in carrying out this
5 subsection.

6 “(III) RESTRICTION.—Funds
7 contributed to the Secretary by an en-
8 tity under clause (i) in connection
9 with a proposal submitted by that en-
10 tity under procedures established
11 under paragraph (4)(F) may only be
12 used to fund grants in connection
13 with that proposal.

14 “(IV) REMAINING FUNDS.—
15 Funds contributed to the Secretary by
16 an entity under clause (i) that remain
17 unobligated at the time of grant close-
18 out shall be returned to that entity.

19 “(V) INDIRECT COSTS.—The in-
20 direct cost rate applicable to appro-
21 priated funds for a grant funded
22 under paragraph (6)(E) shall apply to
23 amounts contributed by an entity
24 under clause (i).

1 “(iii) OTHER MATCHING FUNDS RE-
2 QUIREMENTS.—The contribution require-
3 ment under clause (i) shall be in addition
4 to any matching funds requirement for
5 grant recipients required by section 1492
6 of the National Agricultural Research, Ex-
7 tension, and Teaching Policy Act of
8 1977.”.

9 (g) INTER-REGIONAL RESEARCH PROJECT NUMBER
10 4.—Subsection (e) of the Competitive, Special, and Facili-
11 ties Research Grant Act (7 U.S.C. 450i(e)) is amended—

12 (1) in paragraph (1)(A), by striking “minor use
13 pesticides” and inserting “pesticides for minor agri-
14 cultural use and for use on specialty crops (as de-
15 fined in section 3 of the Specialty Crops Competi-
16 tiveness Act of 2004 (7 U.S.C. 1621 note)),”; and

17 (2) in paragraph (4)—

18 (A) in subparagraph (A), by inserting
19 “and for use on specialty crops” after “minor
20 agricultural use”;

21 (B) in subparagraph (B), by striking
22 “and” at the end;

23 (C) by redesignating subparagraph (C) as
24 subparagraph (G); and

1 (D) by inserting after subparagraph (B)
2 the following new subparagraphs:

3 “(C) prioritize potential pest management
4 technology for minor agricultural use and for
5 use on specialty crops;

6 “(D) conduct research to develop the data
7 necessary to facilitate pesticide registrations,
8 reregistrations, and associated tolerances;

9 “(E) assist in removing trade barriers
10 caused by residues of pesticides registered for
11 minor agricultural use and for use on domesti-
12 cally grown specialty crops;

13 “(F) assist in the registration and rereg-
14 istration of pest management technologies for
15 minor agricultural use and for use on specialty
16 crops; and”.

17 **SEC. 7405. RENEWABLE RESOURCES EXTENSION ACT OF**
18 **1978.**

19 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
20 6 of the Renewable Resources Extension Act of 1978 (16
21 U.S.C. 1675) is amended in the first sentence by striking
22 “2012” and inserting “2018”.

23 (b) TERMINATION DATE.—Section 8 of the Renew-
24 able Resources Extension Act of 1978 (16 U.S.C. 1671

1 note; Public Law 95–306) is amended by striking “2012”
2 and inserting “2018”.

3 **SEC. 7406. NATIONAL AQUACULTURE ACT OF 1980.**

4 Section 10 of the National Aquaculture Act of 1980
5 (16 U.S.C. 2809) is amended by striking “2012” each
6 place it appears and inserting “2018”.

7 **SEC. 7407. REPEAL OF USE OF REMOTE SENSING DATA.**

8 Section 892 of the Federal Agriculture Improvement
9 and Reform Act of 1996 (7 U.S.C. 5935) is repealed.

10 **SEC. 7408. REPEAL OF REPORTS UNDER FARM SECURITY**
11 **AND RURAL INVESTMENT ACT OF 2002.**

12 (a) REPEAL OF REPORT ON PRODUCERS AND HAN-
13 DLERS FOR ORGANIC PRODUCTS.—Section 7409 of the
14 Farm Security and Rural Investment Act of 2002 (7
15 U.S.C. 5925b note; Public Law 107–171) is repealed.

16 (b) REPEAL OF REPORT ON GENETICALLY MODI-
17 FIED PEST-PROTECTED PLANTS.—Section 7410 of the
18 Farm Security and Rural Investment Act of 2002 (Public
19 Law 107–171; 116 Stat. 462) is repealed.

20 (c) REPEAL OF STUDY ON NUTRIENT BANKING.—
21 Section 7411 of the Farm Security and Rural Investment
22 Act of 2002 (7 U.S.C. 5925a note; Public Law 107–171)
23 is repealed.

1 **SEC. 7409. BEGINNING FARMER AND RANCHER DEVELOP-**
2 **MENT PROGRAM.**

3 Section 7405 of the Farm Security and Rural Invest-
4 ment Act of 2002 (7 U.S.C. 3319f) is amended—

5 (1) in subsection (c)—

6 (A) in paragraph (1), by striking subpara-
7 graphs (A) through (R) and inserting the fol-
8 lowing new subparagraphs:

9 “(A) basic livestock, forest management,
10 and crop farming practices;

11 “(B) innovative farm, ranch, and private,
12 nonindustrial forest land transfer strategies;

13 “(C) entrepreneurship and business train-
14 ing;

15 “(D) financial and risk management train-
16 ing (including the acquisition and management
17 of agricultural credit);

18 “(E) natural resource management and
19 planning;

20 “(F) diversification and marketing strate-
21 gies;

22 “(G) curriculum development;

23 “(H) mentoring, apprenticeships, and in-
24 ternships;

25 “(I) resources and referral;

26 “(J) farm financial benchmarking;

1 “(K) assisting beginning farmers or ranch-
2 ers in acquiring land from retiring farmers and
3 ranchers;

4 “(L) agricultural rehabilitation and voca-
5 tional training for veterans;

6 “(M) farm safety and awareness; and

7 “(N) other similar subject areas of use to
8 beginning farmers or ranchers.”;

9 (B) in paragraph (2)(C), by striking “and
10 nongovernmental organization” and inserting
11 “or nongovernmental organization”;

12 (C) in paragraph (7), by striking “and
13 community-based organizations” and inserting
14 “, community-based organizations, and school-
15 based agricultural educational organizations”;

16 (D) by striking paragraph (8) and insert-
17 ing the following new paragraph:

18 “(8) SET-ASIDES.—

19 “(A) IN GENERAL.—Not less than 5 per-
20 cent of the funds used to carry out this sub-
21 section for a fiscal year shall be used to support
22 programs and services that address the needs
23 of—

1 “(i) limited resource beginning farm-
2 ers or ranchers (as defined by the Sec-
3 retary);

4 “(ii) socially disadvantaged farmers or
5 ranchers (as defined in section 355(e) of
6 the Consolidated Farm and Rural Develop-
7 ment Act (7 U.S.C. 2003(e)) who are be-
8 ginning farmers or ranchers; and

9 “(iii) farmworkers desiring to become
10 farmers or ranchers.

11 “(B) VETERAN FARMERS AND RANCH-
12 ERS.—Not less than 5 percent of the funds
13 used to carry out this subsection for a fiscal
14 year shall be used to support programs and
15 services that address the needs of veteran farm-
16 ers and ranchers (as defined in section 2501(e)
17 of the Food, Agriculture, Conservation, and
18 Trade Act of 1990 (7 U.S.C. 2279(e))). ”; and

19 (E) by adding at the end the following new
20 paragraphs:

21 “(11) LIMITATION ON INDIRECT COSTS.—A re-
22 cipient of a grant under this subsection may not use
23 more than 10 percent of the funds provided by the
24 grant for the indirect costs of carrying out the ini-
25 tiatives described in paragraph (1).

1 “(12) COORDINATION PERMITTED.—A recipient
2 of a grant under this subsection using the grant as
3 described in paragraph (8)(B) may coordinate with
4 a recipient of a grant under section 1680 of the
5 Food, Agriculture, Conservation, and Trade Act of
6 1990 (7 U.S.C. 5933) in addressing the needs of
7 veteran farmers and ranchers with disabilities.”;

8 (2) in subsection (h)(1)—

9 (A) in the paragraph heading, by striking
10 “2012” and inserting “2018”;

11 (B) in subparagraph (A), by striking
12 “and” at the end;

13 (C) in subparagraph (B), by striking the
14 period at the end and inserting “; and”; and

15 (D) by adding at the end the following new
16 subparagraph:

17 “(C) \$20,000,000 for each of fiscal years
18 2014 through 2018, to remain available until
19 expended.”; and

20 (3) in subsection (h)(2)—

21 (A) in the paragraph heading, by striking
22 “2008 THROUGH 2012” and inserting “2014
23 THROUGH 2018”; and

24 (B) by striking “2008 through 2012” and
25 inserting “2014 through 2018”.

1 **SEC. 7410. NATIONAL AGRICULTURAL RESEARCH, EXTEN-**
2 **SION, AND TEACHING POLICY ACT AMEND-**
3 **MENTS OF 1985.**

4 Section 1431 of the National Agricultural Research,
5 Extension, and Teaching Policy Act Amendments of 1985
6 (Public Law 99–198; 99 Stat. 1556) is amended by strik-
7 ing “2012” and inserting “2018”.

8 **Subtitle E—Food, Conservation,**
9 **and Energy Act of 2008**

10 **PART I—AGRICULTURAL SECURITY**

11 **SEC. 7501. AGRICULTURAL BIOSECURITY COMMUNICATION**
12 **CENTER.**

13 Section 14112(c) of the Food, Conservation, and En-
14 ergy Act of 2008 (7 U.S.C. 8912(c)) is amended to read
15 as follows:

16 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated to carry out this sec-
18 tion—

19 “(1) such sums as are necessary for each of fis-
20 cal years 2008 through 2013; and

21 “(2) \$2,000,000 for each of fiscal years 2014
22 through 2018.”.

1 **SEC. 7502. ASSISTANCE TO BUILD LOCAL CAPACITY IN AG-**
2 **RICULTURAL BIOSECURITY PLANNING, PREP-**
3 **ARATION, AND RESPONSE.**

4 Section 14113 of the Food, Conservation, and En-
5 ergy Act of 2008 (7 U.S.C. 8913) is amended—

6 (1) in subsection (a)(2)—

7 (A) by striking “such sums as may be nec-
8 essary”; and

9 (B) by striking “subsection” and all that
10 follows and inserting the following: “sub-
11 section—

12 “(A) such sums as are necessary for each
13 of fiscal years 2008 through 2013; and

14 “(B) \$15,000,000 for each of fiscal years
15 2014 through 2018.”; and

16 (2) in subsection (b)(2), by striking “is author-
17 ized to be appropriated to carry out this subsection”
18 and all that follows and inserting the following: “are
19 authorized to be appropriated to carry out this sub-
20 section—

21 “(A) \$25,000,000 for each of fiscal years
22 2008 through 2013; and

23 “(B) \$15,000,000 for each of fiscal years
24 2014 through 2018.”.

1 **SEC. 7503. RESEARCH AND DEVELOPMENT OF AGRICUL-**
2 **TURAL COUNTERMEASURES.**

3 Section 14121(b) of the Food, Conservation, and En-
4 ergy Act of 2008 (7 U.S.C. 8921(b)) is amended by strik-
5 ing “is authorized to be appropriated to carry out this sec-
6 tion” and all that follows and inserting the following: “are
7 authorized to be appropriated to carry out this section—

8 “(1) \$50,000,000 for each of fiscal years 2008
9 through 2013; and

10 “(2) \$15,000,000 for each of fiscal years 2014
11 through 2018.”.

12 **SEC. 7504. AGRICULTURAL BIOSECURITY GRANT PROGRAM.**

13 Section 14122(e) of the Food, Conservation, and En-
14 ergy Act of 2008 (7 U.S.C. 8922(e)) is amended—

15 (1) by striking “sums as are necessary”; and

16 (2) by striking “section” and all that follows
17 and inserting the following: “section—

18 “(1) such sums as are necessary for each of fis-
19 cal years 2008 through 2013, to remain available
20 until expended; and

21 “(2) \$5,000,000 for each of fiscal years 2014
22 through 2018, to remain available until expended.”.

1 **PART II—MISCELLANEOUS PROVISIONS**

2 **SEC. 7511. ENHANCED USE LEASE AUTHORITY PILOT PRO-**
3 **GRAM.**

4 Section 308 of the Federal Crop Insurance Reform
5 and Department of Agriculture Reorganization Act of
6 1994 (7 U.S.C. 3125a) is amended—

7 (1) in subsection (b)(6)(A), by striking “5
8 years” and inserting “10 years”; and

9 (2) in subsection (d)(2), in the matter pre-
10 ceding subparagraph (A), by striking “1, 3, and 5
11 years” and inserting “6, 8, and 10 years”.

12 **SEC. 7512. GRAZINGLANDS RESEARCH LABORATORY.**

13 Section 7502 of the Food, Conservation, and Energy
14 Act of 2008 (Public Law 110–246; 122 Stat. 2019) is
15 amended by striking “5-year period” and inserting “10-
16 year period”.

17 **SEC. 7513. BUDGET SUBMISSION AND FUNDING.**

18 Section 7506 of the Food, Conservation, and Energy
19 Act of 2008 (7 U.S.C. 7614c) is amended—

20 (1) by striking subsection (a) and inserting the
21 following new subsection:

22 “(a) **DEFINITIONS.**—In this section:

23 “(1) **COVERED PROGRAM.**—The term ‘covered
24 program’ means—

25 “(A) each research program carried out by
26 the Agricultural Research Service or the Eco-

1 nomic Research Service for which annual appro-
2 priations are requested in the annual budget
3 submission of the President; and

4 “(B) each competitive program carried out
5 by the National Institute of Food and Agri-
6 culture for which annual appropriations are re-
7 quested in the annual budget submission of the
8 President.

9 “(2) REQUEST FOR APPLICATIONS.—The term
10 ‘request for applications’ means a funding announce-
11 ment published by the National Institute of Food
12 and Agriculture that provides detailed information
13 on funding opportunities at the Institute, including
14 the purpose, eligibility, restriction, focus areas, eval-
15 uation criteria, regulatory information, and instruc-
16 tions on how to apply for such opportunities.”; and

17 (2) by adding at the end the following new sub-
18 sections:

19 “(e) ADDITIONAL PRESIDENTIAL BUDGET SUBMIS-
20 SION REQUIREMENT.—

21 “(1) IN GENERAL.—Each year, the President
22 shall submit to Congress for each funding request
23 for a covered program—

24 “(A) in the case of the information de-
25 scribed in paragraph (2), such information to-

1 gether with the annual budget submission of
2 the President; and

3 “(B) in the case of any additional informa-
4 tion described in paragraph (3), such additional
5 information within a reasonable period that be-
6 gins after the date of the annual budget sub-
7 mission of the President.

8 “(2) INFORMATION DESCRIBED.—The informa-
9 tion described in this paragraph includes—

10 “(A) baseline information, including with
11 respect to each covered program—

12 “(i) the funding level for the program
13 for the fiscal year preceding the year for
14 which the annual budget submission of the
15 President is submitted;

16 “(ii) the funding level requested in the
17 annual budget submission of the President,
18 including any increase or decrease in the
19 funding level; and

20 “(iii) an explanation justifying any
21 change from the funding level specified in
22 clause (i) to the level specified in clause
23 (ii);

24 “(B) with respect to each covered program
25 that is carried out by the Economic Research

1 Service or the Agricultural Research Service,
2 the location and staff years of the program;

3 “(C) the proposed funding levels to be allo-
4 cated to, and the expected publication date,
5 scope, and allocation level for, each request for
6 applications to be published under or associated
7 with—

8 “(i) each priority area specified in
9 subsection (b)(2) of the Competitive, Spe-
10 cial, and Facilities Research Grant Act (7
11 U.S.C. 450i(b)(2));

12 “(ii) each research and extension
13 project carried out under section 1621(a)
14 of the Food, Agriculture, Conservation,
15 and Trade Act of 1990 (7 U.S.C.
16 5811(a));

17 “(iii) each grant awarded under sec-
18 tion 1672B(a) of the Food, Agriculture,
19 Conservation, and Trade Act of 1990 (7
20 U.S.C. 5925b(a));

21 “(iv) each grant awarded under sec-
22 tion 412(d) of the Agricultural Research,
23 Extension, and Education Reform Act of
24 1998 (7 U.S.C. 7632(d)); and

1 “(v) each grant awarded under section
2 7405(c)(1) of the Farm Security and
3 Rural Investment Act of 2002 (7 U.S.C.
4 3319f(c)(1)); and

5 “(D) any other information the Secretary
6 determines will increase congressional oversight
7 with respect to covered programs.

8 “(3) ADDITIONAL INFORMATION DESCRIBED.—

9 The additional information described in this para-
10 graph is information that the Secretary, after con-
11 sulting with the Committee on Agriculture of the
12 House of Representatives, the Committee on Agri-
13 culture, Nutrition, and Forestry of the Senate, and
14 the Subcommittees on Agriculture, Rural Develop-
15 ment, Food and Drug Administration, and Related
16 Agencies of the Committee on Appropriations of the
17 House of Representatives and the Senate, deter-
18 mines is a necessary revision or clarification to the
19 information described in paragraph (2).

20 “(4) PROHIBITION.—Unless the President sub-
21 mits the information described in paragraph (2)(C)
22 for a fiscal year, the President may not carry out
23 any program during that fiscal year that is author-
24 ized under—

1 “(A) subsection (b) of the Competitive,
2 Special, and Facilities Research Grant Act (7
3 U.S.C. 450i(b));

4 “(B) section 1621 of the Food, Agri-
5 culture, Conservation, and Trade Act of 1990
6 (7 U.S.C. 5811);

7 “(C) section 1672B of the Food, Agri-
8 culture, Conservation, and Trade Act of 1990
9 (7 U.S.C. 5925b);

10 “(D) section 412 of the Agricultural Re-
11 search, Extension, and Education Reform Act
12 of 1998 (7 U.S.C. 7632); or

13 “(E) section 7405 of the Farm Security
14 and Rural Investment Act of 2002 (7 U.S.C.
15 3319f).

16 “(f) REPORT OF THE SECRETARY OF AGRI-
17 CULTURE.—Each year on a date that is not later than
18 the date on which the President submits the annual budg-
19 et, the Secretary shall submit to Congress a report con-
20 taining a description of the agricultural research, exten-
21 sion, and education activities carried out by the Federal
22 Government during the fiscal year that immediately pre-
23 cedes the year for which the report is submitted, includ-
24 ing—

1 “(1) a review of the extent to which those ac-
2 tivities—

3 “(A) are duplicative or overlap within the
4 Department of Agriculture; or

5 “(B) are similar to activities carried out
6 by—

7 “(i) other Federal agencies;

8 “(ii) the States (including the District
9 of Columbia, the Commonwealth of Puerto
10 Rico and other territories or possessions of
11 the United States);

12 “(iii) institutions of higher education
13 (as defined in section 101 of the Higher
14 Education Act of 1965 (20 U.S.C. 1001));
15 or

16 “(iv) the private sector; and

17 “(2) for each report submitted under this sec-
18 tion on or after January 1, 2014, a 5-year projection
19 of national priorities with respect to agricultural re-
20 search, extension, and education, taking into account
21 domestic needs.

22 “(g) INTERCHANGEABILITY OF FUNDS.—Nothing in
23 this section shall be construed so as to limit the authority
24 of the Secretary under section 702(b) of the Department

1 of Agriculture Organic Act of 1944 (7 U.S.C. 2257(b)),
2 with respect to the reprogramming or transfer of funds.”.

3 **SEC. 7514. REPEAL OF SEED DISTRIBUTION.**

4 Section 7523 of the Food, Conservation, and Energy
5 Act of 2008 (7 U.S.C. 415–1) is repealed.

6 **SEC. 7515. NATURAL PRODUCTS RESEARCH PROGRAM.**

7 Section 7525(e) of the Food, Conservation, and En-
8 ergy Act of 2008 (7 U.S.C. 5937(e)) is amended to read
9 as follows:

10 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated to carry out this section
12 \$7,000,000 for each of fiscal years 2014 through 2018.”.

13 **SEC. 7516. SUN GRANT PROGRAM.**

14 (a) IN GENERAL.—Section 7526 of the Food, Con-
15 servation, and Energy Act of 2008 (7 U.S.C. 8114) is
16 amended—

17 (1) in subsection (a)(4)(B), by striking “the
18 Department of Energy” and inserting “other appro-
19 priate Federal agencies (as determined by the Sec-
20 retary)”;

21 (2) in subsection (b)(1)—

22 (A) in subparagraph (A), by striking “at
23 South Dakota State University”;

24 (B) in subparagraph (B), by striking “at
25 the University of Tennessee at Knoxville”;

1 (C) in subparagraph (C), by striking “at
2 Oklahoma State University”;

3 (D) in subparagraph (D), by striking “at
4 Oregon State University”;

5 (E) in subparagraph (E), by striking “at
6 Cornell University”; and

7 (F) in subparagraph (F), by striking “at
8 the University of Hawaii”;

9 (3) in subsection (c)(1)—

10 (A) in subparagraph (B), by striking
11 “multistate” and all that follows through “tech-
12 nology implementation” and inserting “inte-
13 grated, multistate research, extension, and edu-
14 cation programs on technology development and
15 technology implementation”;

16 (B) by striking subparagraph (C); and

17 (C) by redesignating subparagraph (D) as
18 subparagraph (C);

19 (4) in subsection (d)—

20 (A) in paragraph (1)—

21 (i) by striking “in accordance with
22 paragraph (2)”;

23 (ii) by striking “gasification” and in-
24 serting “bioproducts”; and

1 (iii) by striking “the Department of
2 Energy” and inserting “other appropriate
3 Federal agencies”;

4 (B) by striking paragraph (2); and

5 (C) by redesignating paragraphs (3) and
6 (4) as paragraphs (2) and (3), respectively; and
7 (5) in subsection (g), by striking “2012” and
8 inserting “2018”.

9 (b) CONFORMING AMENDMENT.—Section 7526(f)(1)
10 of the Food, Conservation, and Energy Act of 2008 (7
11 U.S.C. 8114(f)) is amended by striking “subsection
12 (c)(1)(D)(i)” and inserting “subsection (c)(1)(C)(i)”.

13 **SEC. 7517. REPEAL OF STUDY AND REPORT ON FOOD**
14 **DESERTS.**

15 Section 7527 of the Food, Conservation, and Energy
16 Act of 2008 (Public Law 110–246; 122 Stat. 2039) is re-
17 pealed.

18 **SEC. 7518. REPEAL OF AGRICULTURAL AND RURAL TRANS-**
19 **PORTATION RESEARCH AND EDUCATION.**

20 Section 7529 of the Food, Conservation, and Energy
21 Act of 2008 (7 U.S.C. 5938) is repealed.

1 **Subtitle F—Miscellaneous**
2 **Provisions**

3 **SEC. 7601. FOUNDATION FOR FOOD AND AGRICULTURE RE-**
4 **SEARCH.**

5 (a) DEFINITIONS.—In this section:

6 (1) BOARD.—The term “Board” means the
7 Board of Directors described in subsection (e).

8 (2) DEPARTMENT.—The term “Department”
9 means the Department of Agriculture.

10 (3) FOUNDATION.—The term “Foundation”
11 means the Foundation for Food and Agriculture Re-
12 search established under subsection (b).

13 (4) SECRETARY.—The term “Secretary” means
14 the Secretary of Agriculture.

15 (b) ESTABLISHMENT.—

16 (1) IN GENERAL.—The Secretary shall establish
17 a nonprofit corporation to be known as the “Foun-
18 dation for Food and Agriculture Research”.

19 (2) STATUS.—The Foundation shall not be an
20 agency or instrumentality of the United States Gov-
21 ernment.

22 (c) PURPOSES.—The purposes of the Foundation
23 shall be—

24 (1) to advance the research mission of the De-
25 partment by supporting agricultural research activi-

1 ties focused on addressing key problems of national
2 and international significance including—

3 (A) plant health, production, and plant
4 products;

5 (B) animal health, production, and prod-
6 ucts;

7 (C) food safety, nutrition, and health;

8 (D) renewable energy, natural resources,
9 and the environment;

10 (E) agricultural and food security;

11 (F) agriculture systems and technology;
12 and

13 (G) agriculture economics and rural com-
14 munities; and

15 (2) to foster collaboration with agricultural re-
16 searchers from the Federal Government, State (as
17 defined in section 1404 of the National Agricultural
18 Research, Extension, and Teaching Policy Act of
19 1977 (7 U.S.C. 3103)) governments, institutions of
20 higher education (as defined in section 101 of the
21 Higher Education Act of 1965 (20 U.S.C. 1001)),
22 industry, and nonprofit organizations.

23 (d) DUTIES.—

24 (1) IN GENERAL.—The Foundation shall—

1 (A) award grants to, or enter into con-
2 tracts, memoranda of understanding, or cooper-
3 ative agreements with, scientists and entities,
4 which may include agricultural research agen-
5 cies in the Department, university consortia,
6 public-private partnerships, institutions of high-
7 er education, nonprofit organizations, and in-
8 dustry, to efficiently and effectively advance the
9 goals and priorities of the Foundation;

10 (B) in consultation with the Secretary—

11 (i) identify existing and proposed Fed-
12 eral intramural and extramural research
13 and development programs relating to the
14 purposes of the Foundation described in
15 subsection (c); and

16 (ii) coordinate Foundation activities
17 with those programs so as to minimize du-
18 plication of existing efforts and to avoid
19 conflicts;

20 (C) identify unmet and emerging agricul-
21 tural research needs after reviewing the road-
22 map for agricultural research, education, and
23 extension authorized by section 7504 of the
24 Food, Conservation, and Energy Act of 2008 (7
25 U.S.C. 7614a);

1 (D) facilitate technology transfer and re-
2 lease of information and data gathered from the
3 activities of the Foundation to the agricultural
4 research community;

5 (E) promote and encourage the develop-
6 ment of the next generation of agricultural re-
7 search scientists; and

8 (F) carry out such other activities as the
9 Board determines to be consistent with the pur-
10 poses of the Foundation.

11 (2) RELATIONSHIP TO OTHER ACTIVITIES.—

12 The activities described in paragraph (1) shall be
13 supplemental to any other activities at the Depart-
14 ment and shall not preempt any authority or respon-
15 sibility of the Department under another provision
16 of law.

17 (e) BOARD OF DIRECTORS.—

18 (1) ESTABLISHMENT.—The Foundation shall
19 be governed by a Board of Directors.

20 (2) COMPOSITION.—

21 (A) IN GENERAL.—The Board shall be
22 composed of appointed and ex-officio, nonvoting
23 members.

1 (B) EX-OFFICIO MEMBERS.—The ex-officio
2 members of the Board shall be the following in-
3 dividuals or designees of such individuals:

4 (i) The Secretary.

5 (ii) The Under Secretary of Agri-
6 culture for Research, Education, and Eco-
7 nomics.

8 (iii) The Administrator of the Agricul-
9 tural Research Service.

10 (iv) The Director of the National In-
11 stitute of Food and Agriculture.

12 (v) The Director of the National
13 Science Foundation.

14 (C) APPOINTED MEMBERS.—

15 (i) IN GENERAL.—The ex-officio mem-
16 bers of the Board (as specified in subpara-
17 graph (B)) shall, by majority vote, appoint
18 to the Board 15 individuals, of whom—

19 (I) 8 shall be selected from a list
20 of candidates to be provided by the
21 National Academy of Sciences; and

22 (II) 7 shall be selected from lists
23 of candidates provided by industry.

24 (ii) REQUIREMENTS.—

1 (I) EXPERTISE.—The ex-officio
2 members shall ensure that a majority
3 of the appointed members of the
4 Board have actual experience in agri-
5 cultural research and, to the extent
6 practicable, represent diverse sectors
7 of agriculture.

8 (II) LIMITATION.—No employee
9 of the Federal Government may serve
10 as an appointed member of the Board
11 under this subparagraph.

12 (III) NOT FEDERAL EMPLOY-
13 MENT.—Appointment to the Board
14 under this subparagraph shall not
15 constitute Federal employment.

16 (iii) AUTHORITY.—All appointed
17 members of the Board shall be voting
18 members.

19 (D) CHAIR.—The Board shall, from among
20 the members of the Board, designate an indi-
21 vidual to serve as Chair of the Board.

22 (3) INITIAL MEETING.—Not later than 60 days
23 after the date of enactment of this Act, the Sec-
24 retary shall convene a meeting of the ex-officio mem-
25 bers of the Board—

1 (A) to incorporate the Foundation; and

2 (B) to appoint the members of the Board

3 in accordance with paragraph (2)(C)(i).

4 (4) DUTIES.—

5 (A) IN GENERAL.—The Board shall—

6 (i) establish bylaws for the Founda-

7 tion that, at a minimum, include—

8 (I) policies for the selection of fu-

9 ture Board members, officers, employ-

10 ees, agents, and contractors of the

11 Foundation;

12 (II) policies, including ethical

13 standards, for—

14 (aa) the acceptance, sollicita-

15 tion, and disposition of donations

16 and grants to the Foundation;

17 and

18 (bb) the disposition of assets

19 of the Foundation, including ap-

20 propriate limits on the ability of

21 donors to designate, by stipula-

22 tion or restriction, the use or re-

23 cipient of donated funds;

24 (III) policies that would subject

25 all employees, fellows, trainees, and

1 other agents of the Foundation (in-
2 cluding members of the Board) to
3 conflict of interest standards in the
4 same manner as Federal employees
5 are subject to the conflict of interest
6 standards under section 208 of title
7 18, United States Code;

8 (IV) policies for writing, editing,
9 printing, publishing, and vending of
10 books and other materials;

11 (V) policies for the conduct of
12 the general operations of the Founda-
13 tion, including a cap on administrative
14 expenses for recipients of a grant,
15 contract, or cooperative agreement
16 from the Foundation; and

17 (VI) specific duties for the Exec-
18 utive Director;

19 (ii) prioritize and provide overall di-
20 rection for the activities of the Foundation;

21 (iii) evaluate the performance of the
22 Executive Director; and

23 (iv) carry out any other necessary ac-
24 tivities regarding the Foundation.

1 (B) ESTABLISHMENT OF BYLAWS.—In es-
2 tablishing bylaws under subparagraph (A)(i),
3 the Board shall ensure that the bylaws do
4 not—

5 (i) reflect unfavorably on the ability of
6 the Foundation to carry out the duties of
7 the Foundation in a fair and objective
8 manner; or

9 (ii) compromise, or appear to com-
10 promise, the integrity of any governmental
11 agency or program, or any officer or em-
12 ployee employed by, or involved in, a gov-
13 ernmental agency or program.

14 (5) TERMS AND VACANCIES.—

15 (A) TERMS.—

16 (i) IN GENERAL.—The term of each
17 member of the Board appointed under
18 paragraph (2)(C) shall be 5 years, except
19 that of the members initially appointed, 8
20 of the members shall each be appointed for
21 a term of 3 years and 7 of the members
22 shall each be appointed for a term of 2
23 years.

24 (ii) PARTIAL TERMS.—If a member of
25 the Board does not serve the full term ap-

1 plicable under clause (i), the individual ap-
2 pointed to fill the resulting vacancy shall
3 be appointed for the remainder of the term
4 of the predecessor of the individual.

5 (iii) TRANSITION.—A member of the
6 Board may continue to serve after the ex-
7 piration of the term of the member until a
8 successor is appointed.

9 (B) VACANCIES.—After the initial appoint-
10 ment of the members of the Board under para-
11 graph (2)(C), any vacancy in the membership of
12 the Board shall be filled as provided in the by-
13 laws established under paragraph (4)(A)(i).

14 (6) COMPENSATION.—Members of the Board
15 may not receive compensation for service on the
16 Board but may be reimbursed for travel, subsist-
17 ence, and other necessary expenses incurred in car-
18 rying out the duties of the Board.

19 (7) MEETINGS AND QUORUM.—A majority of
20 the members of the Board shall constitute a quorum
21 for purposes of conducting the business of the
22 Board.

23 (f) ADMINISTRATION.—

24 (1) EXECUTIVE DIRECTOR.—

1 (A) IN GENERAL.—The Board shall hire
2 an Executive Director who shall carry out such
3 duties and responsibilities as the Board may
4 prescribe.

5 (B) SERVICE.—The Executive Director
6 shall serve at the pleasure of the Board.

7 (2) ADMINISTRATIVE POWERS.—

8 (A) IN GENERAL.—In carrying out this
9 section, the Board, acting through the Execu-
10 tive Director, may—

11 (i) adopt, alter, and use a corporate
12 seal, which shall be judicially noticed;

13 (ii) hire, promote, compensate, and
14 discharge 1 or more officers, employees,
15 and agents, as may be necessary, and de-
16 fine the duties of the officers, employees,
17 and agents;

18 (iii) solicit and accept any funds,
19 gifts, grants, devises, or bequests of real or
20 personal property made to the Foundation,
21 including such support from private enti-
22 ties;

23 (iv) prescribe the manner in which—

1 (I) real or personal property of
2 the Foundation is acquired, held, and
3 transferred;

4 (II) general operations of the
5 Foundation are to be conducted; and

6 (III) the privileges granted to the
7 Board by law are exercised and en-
8 joyed;

9 (v) with the consent of the applicable
10 executive department or independent agen-
11 cy, use the information, services, and facili-
12 ties of the department or agency in car-
13 rying out this section on a reimbursable
14 basis;

15 (vi) enter into contracts with public
16 and private organizations for the writing,
17 editing, printing, and publishing of books
18 and other material;

19 (vii) hold, administer, invest, and
20 spend any funds, gifts, grant, devise, or be-
21 quest of real or personal property made to
22 the Foundation;

23 (viii) enter into such contracts, leases,
24 cooperative agreements, and other trans-

1 actions as the Board considers appropriate
2 to conduct the activities of the Foundation;

3 (ix) modify or consent to the modifica-
4 tion of any contract or agreement to which
5 the Foundation is a party or in which the
6 Foundation has an interest;

7 (x) take such action as may be nec-
8 essary to obtain and maintain patents for
9 and to license inventions (as defined in sec-
10 tion 201 of title 35, United States Code)
11 developed by the Foundation, employees of
12 the Foundation, or derived from the col-
13 laborative efforts of the Foundation;

14 (xi) sue and be sued in the corporate
15 name of the Foundation, and complain and
16 defend in courts of competent jurisdiction;

17 (xii) appoint other groups of advisors
18 as may be determined necessary to carry
19 out the functions of the Foundation; and

20 (xiii) exercise such other incidental
21 powers as are necessary to carry out the
22 duties and functions of the Foundation in
23 accordance with this section.

24 (B) LIMITATION.—No appointed member
25 of the Board or officer or employee of the

1 Foundation or of any program established by
2 the Foundation (other than ex-officio members
3 of the Board) shall exercise administrative con-
4 trol over any Federal employee.

5 (3) RECORDS.—

6 (A) AUDITS.—The Foundation shall—

7 (i) provide for annual audits of the fi-
8 nancial condition of the Foundation; and

9 (ii) make the audits, and all other
10 records, documents, and other papers of
11 the Foundation, available to the Secretary
12 and the Comptroller General of the United
13 States for examination or audit.

14 (B) REPORTS.—

15 (i) ANNUAL REPORT ON FOUNDA-
16 TION.—

17 (I) IN GENERAL.—Not later than
18 5 months following the end of each
19 fiscal year, the Foundation shall pub-
20 lish a report for the preceding fiscal
21 year that includes—

22 (aa) a description of Foun-
23 dation activities, including ac-
24 complishments; and

1 (bb) a comprehensive state-
2 ment of the operations and finan-
3 cial condition of the Foundation.

4 (II) FINANCIAL CONDITION.—

5 Each report under subclause (I) shall
6 include a description of all gifts,
7 grants, devises, or bequests to the
8 Foundation of real or personal prop-
9 erty or money, which shall include—

10 (aa) the source of the gifts,
11 grants, devises, or bequests; and

12 (bb) any restrictions on the
13 purposes for which the gift,
14 grant, devise, or bequest may be
15 used.

16 (III) AVAILABILITY.—The Foun-
17 dation shall—

18 (aa) make copies of each re-
19 port submitted under subclause
20 (I) available for public inspection;
21 and

22 (bb) on request, provide a
23 copy of the report to any indi-
24 vidual.

1 (IV) PUBLIC MEETING.—The
2 Board shall hold an annual public
3 meeting to summarize the activities of
4 the Foundation.

5 (ii) GRANT REPORTING.—Any recipi-
6 ent of a grant under subsection (d)(1)(A)
7 shall provide the Foundation with a report
8 at the conclusion of any research or studies
9 conducted that describes the results of the
10 research or studies, including any data
11 generated.

12 (4) INTEGRITY.—

13 (A) IN GENERAL.—To ensure integrity in
14 the operations of the Foundation, the Board
15 shall develop and enforce procedures relating to
16 standards of conduct, financial disclosure state-
17 ments, conflicts of interest (including recusal
18 and waiver rules), audits, and any other mat-
19 ters determined appropriate by the Board.

20 (B) FINANCIAL CONFLICTS OF INTER-
21 EST.—Any individual who is an officer, em-
22 ployee, or member of the Board is prohibited
23 from any participation in deliberations by the
24 Foundation of a matter that would directly or
25 predictably affect any financial interest of—

1 (i) the individual;

2 (ii) a relative (as defined in section
3 109 of the Ethics in Government Act of
4 1978 (5 U.S.C. App.)) of that individual;
5 or

6 (iii) a business organization or other
7 entity in which the individual has an inter-
8 est, including an organization or other en-
9 tity with which the individual is negoti-
10 ating employment.

11 (5) INTELLECTUAL PROPERTY.—The Board
12 shall adopt written standards to govern the owner-
13 ship and licensing of any intellectual property rights
14 derived from the collaborative efforts of the Founda-
15 tion.

16 (6) LIABILITY.—The United States shall not be
17 liable for any debts, defaults, acts, or omissions of
18 the Foundation nor shall the full faith and credit of
19 the United States extend to any obligations of the
20 Foundation.

21 (g) FUNDS.—

22 (1) MANDATORY FUNDING.—

23 (A) IN GENERAL.—On the date of the en-
24 actment of this Act, of the funds of the Com-
25 modity Credit Corporation, the Secretary shall

1 transfer to the Foundation to carry out this
2 section \$200,000,000, to remain available until
3 expended under the conditions described in sub-
4 paragraph (B).

5 (B) CONDITIONS ON EXPENDITURE.—The
6 Foundation may use the funds made available
7 under subparagraph (A) to carry out the pur-
8 poses of the Foundation only to the extent that
9 the Foundation secures an equal amount of
10 non-Federal matching funds for each expendi-
11 ture.

12 (C) PROHIBITION ON CONSTRUCTION.—
13 None of the funds made available under sub-
14 paragraph (A) may be used for construction.

15 (2) SEPARATION OF FUNDS.—The Executive
16 Director shall ensure that any funds received under
17 paragraph (1) are held in separate accounts from
18 funds received from nongovernmental entities as de-
19 scribed in subsection (f)(2)(A)(iii).

20 **SEC. 7602. CONCESSIONS AND AGREEMENTS WITH NON-**
21 **PROFIT ORGANIZATIONS FOR NATIONAL AR-**
22 **BORETUM.**

23 Section 6 of the Act of March 4, 1927 (20 U.S.C.
24 196), is amended—

1 (1) in subsection (a), by striking paragraph (1)
2 and inserting the following new paragraph:

3 “(1) negotiate concessions and agreements for
4 the National Arboretum with nonprofit scientific or
5 educational organizations, the interests of which are
6 complementary to the mission of the National Arbo-
7 retum, or nonprofit organizations that support the
8 purpose of the National Arboretum, except that the
9 net proceeds of the organizations from the conces-
10 sions or agreements, as applicable, shall be used ex-
11 clusively for—

12 “(A) the research and educational work for
13 the benefit of the National Arboretum; and

14 “(B) the operation and maintenance of the
15 facilities of the National Arboretum, including
16 enhancements, upgrades, restoration, and con-
17 servation;”;

18 (2) by adding at the end the following new sub-
19 section:

20 “(d) RECOGNITION OF DONORS.—A nonprofit orga-
21 nization that entered into a concession or agreement under
22 subsection (a)(1) may recognize donors if that recognition
23 is approved in advance by the Secretary of Agriculture.
24 In considering whether to approve such recognition, the

1 Secretary shall broadly exercise the discretion of the Sec-
2 retary to the fullest extent allowed under Federal law.”.

3 **SEC. 7603. AGRICULTURAL AND FOOD LAW RESEARCH,**
4 **LEGAL TOOLS, AND INFORMATION.**

5 (a) PARTNERSHIPS.—The Secretary of Agriculture,
6 acting through the National Agricultural Library, shall
7 support the dissemination of objective, scholarly, and au-
8 thoritative agricultural and food law research, legal tools,
9 and information by entering into cooperative agreements
10 with institutions of higher education (as defined in section
11 101 of the Higher Education Act of 1965 (20 U.S.C.
12 1001)) that on the date of enactment of this Act are car-
13 rying out objective programs for research, legal tools, and
14 information in agricultural and food law.

15 (b) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to carry out this section
17 \$5,000,000 for fiscal year 2014 and each fiscal year there-
18 after.

19 **SEC. 7604. COTTON DISEASE RESEARCH REPORT.**

20 Not later than 180 days after the date of the enact-
21 ment of this Act, the Secretary shall submit to Congress
22 a report on the fungus *Fusarium oxysporum* f. sp.
23 vasinfectum race 4 (referred to in this section as “FOV
24 Race 4”) and the impact of such fungus on cotton, includ-
25 ing—

1 (1) an overview of the threat FOV Race 4 poses
2 to the cotton industry in the United States;

3 (2) the status and progress of Federal research
4 initiatives to detect, contain, or eradicate FOV Race
5 4, including current FOV Race 4-specific research
6 projects; and

7 (3) a comprehensive strategy to combat FOV
8 Race 4 that establishes—

9 (A) detection and identification goals;

10 (B) containment goals;

11 (C) eradication goals; and

12 (D) a plan to partner with the cotton in-
13 dustry in the United States to maximize re-
14 sources, information sharing, and research re-
15 sponsiveness and effectiveness.

16 **SEC. 7605. MISCELLANEOUS TECHNICAL CORRECTIONS.**

17 Sections 7408 and 7409 of the Food, Conservation,
18 and Energy Act of 2008 (Public Law 110–246; 122 Stat.
19 2013) are both amended by striking “Title III of the De-
20 partment of Agriculture Reorganization Act of 1994” and
21 inserting “Title III of the Federal Crop Insurance Reform
22 and Department of Agriculture Reorganization Act of
23 1994”.

1 **SEC. 7606. LEGITIMACY OF INDUSTRIAL HEMP RESEARCH.**

2 (a) IN GENERAL.—Notwithstanding the Controlled
3 Substances Act (21 U.S.C. 801 et seq.), the Safe and
4 Drug-Free Schools and Communities Act (20 U.S.C. 7101
5 et seq.), chapter 81 of title 41, United States Code, or
6 any other Federal law, an institution of higher education
7 (as defined in section 101 of the Higher Education Act
8 of 1965 (20 U.S.C. 1001)) or a State department of agri-
9 culture may grow or cultivate industrial hemp if—

10 (1) the industrial hemp is grown or cultivated
11 for purposes of research conducted under an agricul-
12 tural pilot program or other agricultural or academic
13 research; and

14 (2) the growing or cultivating of industrial
15 hemp is allowed under the laws of the State in which
16 such institution of higher education or State depart-
17 ment of agriculture is located and such research oc-
18 curs.

19 (b) DEFINITIONS.—In this section:

20 (1) AGRICULTURAL PILOT PROGRAM.—The
21 term “agricultural pilot program” means a pilot pro-
22 gram to study the growth, cultivation, or marketing
23 of industrial hemp—

24 (A) in States that permit the growth or
25 cultivation of industrial hemp under the laws of
26 the State; and

1 (B) in a manner that—

2 (i) ensures that only institutions of
3 higher education and State departments of
4 agriculture are used to grow or cultivate
5 industrial hemp;

6 (ii) requires that sites used for grow-
7 ing or cultivating industrial hemp in a
8 State be certified by, and registered with,
9 the State department of agriculture; and

10 (iii) authorizes State departments of
11 agriculture to promulgate regulations to
12 carry out the pilot program in the States
13 in accordance with the purposes of this
14 section.

15 (2) INDUSTRIAL HEMP.—The term “industrial
16 hemp” means the plant *Cannabis sativa L.* and any
17 part of such plant, whether growing or not, with a
18 delta-9 tetrahydrocannabinol concentration of not
19 more than 0.3 percent on a dry weight basis.

20 (3) STATE DEPARTMENT OF AGRICULTURE.—
21 The term “State department of agriculture” means
22 the agency, commission, or department of a State
23 government responsible for agriculture within the
24 State.

1 **TITLE VIII—FORESTRY**
2 **Subtitle A—Repeal of Certain**
3 **Forestry Programs**

4 **SEC. 8001. FOREST LAND ENHANCEMENT PROGRAM.**

5 (a) REPEAL.—Section 4 of the Cooperative Forestry
6 Assistance Act of 1978 (16 U.S.C. 2103) is repealed.

7 (b) CONFORMING AMENDMENT.—Section 8002 of the
8 Farm Security and Rural Investment Act of 2002 (Public
9 Law 107–171; 16 U.S.C. 2103 note) is amended by strik-
10 ing subsection (a).

11 **SEC. 8002. WATERSHED FORESTRY ASSISTANCE PROGRAM.**

12 Section 6 of the Cooperative Forestry Assistance Act
13 of 1978 (16 U.S.C. 2103b) is repealed.

14 **SEC. 8003. EXPIRED COOPERATIVE NATIONAL FOREST**
15 **PRODUCTS MARKETING PROGRAM.**

16 Section 18 of the Cooperative Forestry Assistance
17 Act of 1978 (16 U.S.C. 2112) is repealed.

18 **SEC. 8004. HISPANIC-SERVING INSTITUTION AGRICUL-**
19 **TURAL LAND NATIONAL RESOURCES LEAD-**
20 **ERSHIP PROGRAM.**

21 Section 8402 of the Food, Conservation, and Energy
22 Act of 2008 (16 U.S.C. 1649a) is repealed.

1 **SEC. 8005. TRIBAL WATERSHED FORESTRY ASSISTANCE**
2 **PROGRAM.**

3 Section 303 of the Healthy Forests Restoration Act
4 of 2003 (16 U.S.C. 6542) is repealed.

5 **SEC. 8006. SEPARATE FOREST SERVICE DECISIONMAKING**
6 **AND APPEALS PROCESS.**

7 (a) REPEAL.—Section 322 of the Department of the
8 Interior and Related Agencies Appropriations Act, 1993
9 (16 U.S.C. 1612 note; Public Law 102–381) is repealed.

10 (b) FOREST SERVICE PRE-DECISIONAL OBJECTION
11 PROCESS.—Section 428 of division E of the Consolidated
12 Appropriations Act, 2012 (16 U.S.C. 6515 note; Public
13 Law 112–74) shall not apply to any project or activity
14 implementing a land and resource management plan devel-
15 oped under section 6 of the Forest and Rangeland Renew-
16 able Resources Planning Act of 1974 (16 U.S.C. 1604)
17 that is categorically excluded from documentation in an
18 environmental assessment or an environmental impact
19 statement under the National Environmental Policy Act
20 of 1969 (42 U.S.C. 4321 et seq.).

1 **Subtitle B—Reauthorization of Co-**
2 **operative Forestry Assistance**
3 **Act of 1978 Programs**

4 **SEC. 8101. STATE-WIDE ASSESSMENT AND STRATEGIES FOR**
5 **FOREST RESOURCES.**

6 Section 2A of the Cooperative Forestry Assistance
7 Act of 1978 (16 U.S.C. 2101a) is amended—

8 (1) in subsection (c)—

9 (A) in paragraph (4), by striking “and”;

10 (B) by redesignating paragraph (5) as
11 paragraph (6); and

12 (C) by inserting after paragraph (4) the
13 following new paragraph:

14 “(5) as feasible, appropriate military installa-
15 tions where the voluntary participation and manage-
16 ment of private or State-owned or other public
17 forestland is able to support, promote, and con-
18 tribute to the missions of such installations; and”;
19 and

20 (2) in subsection (f)(1), by striking “2012” and
21 inserting “2018”.

1 **Subtitle C—Reauthorization of**
2 **Other Forestry-related Laws**

3 **SEC. 8201. RURAL REVITALIZATION TECHNOLOGIES.**

4 Section 2371(d)(2) of the Food, Agriculture, Con-
5 servation, and Trade Act of 1990 (7 U.S.C. 6601(d)(2))
6 is amended by striking “2012” and inserting “2018”.

7 **SEC. 8202. OFFICE OF INTERNATIONAL FORESTRY.**

8 Section 2405(d) of the Global Climate Change Pre-
9 vention Act of 1990 (7 U.S.C. 6704(d)) is amended by
10 striking “2012” and inserting “2018”.

11 **SEC. 8203. HEALTHY FORESTS RESERVE PROGRAM.**

12 (a) DEFINITION OF ACREAGE OWNED BY INDIAN
13 TRIBES.—Section 502(e)(3) of the Healthy Forests Res-
14 toration Act (16 U.S.C. 6572(e)(3)) is amended—

15 (1) in subparagraph (C), by striking “subpara-
16 graphs (A) and (B)” and inserting “clauses (i) and
17 (ii)”;

18 (2) by redesignating subparagraphs (A) through
19 (C) as clauses (i) through (iii), respectively, and in-
20 denting appropriately; and

21 (3) by striking “In the case of” and inserting
22 the following:

23 “(A) DEFINITION OF ACREAGE OWNED BY
24 INDIAN TRIBES.—In this paragraph, the term
25 ‘acreage owned by Indian tribes’ includes—

1 “(i) land that is held in trust by the
2 United States for Indian tribes or indi-
3 vidual Indians;

4 “(ii) land, the title to which is held by
5 Indian tribes or individual Indians subject
6 to Federal restrictions against alienation
7 or encumbrance;

8 “(iii) land that is subject to rights of
9 use, occupancy, and benefit of certain In-
10 dian tribes;

11 “(iv) land that is held in fee title by
12 an Indian tribe; or

13 “(v) land that is owned by a native
14 corporation formed under section 17 of the
15 Act of June 18, 1934 (commonly known as
16 the ‘Indian Reorganization Act’) (25
17 U.S.C. 477) or section 8 of the Alaska Na-
18 tive Claims Settlement Act (43 U.S.C.
19 1607); or

20 “(vi) a combination of 1 or more
21 types of land described in clauses (i)
22 through (v).

23 “(B) ENROLLMENT OF ACREAGE.—In the
24 case of”.

1 (b) CHANGE IN FUNDING SOURCE FOR HEALTHY
2 FORESTS RESERVE PROGRAM.—Section 508 of the
3 Healthy Forests Restoration Act of 2003 (16 U.S.C.
4 6578) is amended—

5 (1) in subsection (a), by striking “IN GEN-
6 ERAL” and inserting “FISCAL YEARS 2009
7 THROUGH 2013”;

8 (2) by redesignating subsection (b) as sub-
9 section (d); and

10 (3) by inserting after subsection (a) the fol-
11 lowing:

12 “(b) FISCAL YEARS 2014 THROUGH 2018.—There is
13 authorized to be appropriated to the Secretary of Agri-
14 culture to carry out this section \$12,000,000 for each of
15 fiscal years 2014 through 2018.

16 “(c) ADDITIONAL SOURCE OF FUNDS.—In addition
17 to funds appropriated pursuant to the authorization of ap-
18 propriations in subsection (b) for a fiscal year, the Sec-
19 retary may use such amount of the funds appropriated
20 for that fiscal year to carry out the Soil Conservation and
21 Domestic Allotment Act (16 U.S.C. 590a et seq.) as the
22 Secretary determines necessary to cover the cost of tech-
23 nical assistance, management, and enforcement respon-
24 sibilities for land enrolled in the healthy forests reserve

1 program pursuant to subsections (a) and (b) of section
2 504.”.

3 **SEC. 8204. INSECT AND DISEASE INFESTATION.**

4 Title VI of the Healthy Forests Restoration Act of
5 2003 (16 U.S.C. 6591 et seq.) is amended by adding at
6 the end the following:

7 **“SEC. 602. DESIGNATION OF TREATMENT AREAS.**

8 “(a) DEFINITION OF DECLINING FOREST
9 HEALTH.—In this section, the term ‘declining forest
10 health’ means a forest that is experiencing—

11 “(1) substantially increased tree mortality due
12 to insect or disease infestation; or

13 “(2) dieback due to infestation or defoliation by
14 insects or disease.

15 “(b) DESIGNATION OF TREATMENT AREAS.—

16 “(1) INITIAL AREAS.—Not later than 60 days
17 after the date of enactment of the Agricultural Act
18 of 2014, the Secretary shall, if requested by the
19 Governor of the State, designate as part of an insect
20 and disease treatment program 1 or more landscape-
21 scale areas, such as subwatersheds (sixth-level hy-
22 drologic units, according to the System of Hydro-
23 logic Unit Codes of the United States Geological
24 Survey), in at least 1 national forest in each State
25 that is experiencing an insect or disease epidemic.

1 “(2) ADDITIONAL AREAS.—After the end of the
2 60-day period described in paragraph (1), the Sec-
3 retary may designate additional landscape-scale
4 areas under this section as needed to address insect
5 or disease threats.

6 “(c) REQUIREMENTS.—To be designated a land-
7 scape-scale area under subsection (b), the area shall be—

8 “(1) experiencing declining forest health, based
9 on annual forest health surveys conducted by the
10 Secretary;

11 “(2) at risk of experiencing substantially in-
12 creased tree mortality over the next 15 years due to
13 insect or disease infestation, based on the most re-
14 cent National Insect and Disease Risk Map pub-
15 lished by the Forest Service; or

16 “(3) in an area in which the risk of hazard
17 trees poses an imminent risk to public infrastruc-
18 ture, health, or safety.

19 “(d) TREATMENT OF AREAS.—

20 “(1) IN GENERAL.—The Secretary may carry
21 out priority projects on Federal land in the areas
22 designated under subsection (b) to reduce the risk or
23 extent of, or increase the resilience to, insect or dis-
24 ease infestation in the areas.

1 “(2) AUTHORITY.—Any project under para-
2 graph (1) for which a public notice to initiate
3 scoping is issued on or before September 30, 2018,
4 may be carried out in accordance with subsections
5 (b), (c), and (d) of section 102, and sections 104,
6 105, and 106.

7 “(3) EFFECT.—Projects carried out under this
8 subsection shall be considered authorized hazardous
9 fuel reduction projects for purposes of the authori-
10 ties described in paragraph (2).

11 “(4) REPORT.—

12 “(A) IN GENERAL.—In accordance with
13 the schedule described in subparagraph (B), the
14 Secretary shall issue 2 reports on actions taken
15 to carry out this subsection, including—

16 “(i) an evaluation of the progress to-
17 wards project goals; and

18 “(ii) recommendations for modifica-
19 tions to the projects and management
20 treatments.

21 “(B) SCHEDULE.—The Secretary shall—

22 “(i) not earlier than September 30,
23 2018, issue the initial report under sub-
24 paragraph (A); and

1 “(ii) not earlier than September 30,
2 2024, issue the second report under that
3 subparagraph.

4 “(e) TREE RETENTION.—The Secretary shall carry
5 out projects under subsection (d) in a manner that maxi-
6 mizes the retention of old-growth and large trees, as ap-
7 propriate for the forest type, to the extent that the trees
8 promote stands that are resilient to insects and disease.

9 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
10 is authorized to be appropriated to carry out this section
11 \$200,000,000 for each of fiscal years 2014 through 2024.

12 **“SEC. 603. ADMINISTRATIVE REVIEW.**

13 “(a) IN GENERAL.—Except as provided in subsection
14 (d), a project described in subsection (b) that is conducted
15 in accordance with section 602(d) may be—

16 “(1) considered an action categorically excluded
17 from the requirements of Public Law 91–190 (42
18 U.S.C. 4321 et seq.); and

19 “(2) exempt from the special administrative re-
20 view process under section 105.

21 “(b) COLLABORATIVE RESTORATION PROJECT.—

22 “(1) IN GENERAL.—A project referred to in
23 subsection (a) is a project to carry out forest res-
24 toration treatments that—

1 “(A) maximizes the retention of old-growth
2 and large trees, as appropriate for the forest
3 type, to the extent that the trees promote
4 stands that are resilient to insects and disease;

5 “(B) considers the best available scientific
6 information to maintain or restore the ecologi-
7 cal integrity, including maintaining or restoring
8 structure, function, composition, and
9 connectivity; and

10 “(C) is developed and implemented
11 through a collaborative process that—

12 “(i) includes multiple interested per-
13 sons representing diverse interests; and

14 “(ii)(I) is transparent and nonexclu-
15 sive; or

16 “(II) meets the requirements for a re-
17 source advisory committee under sub-
18 sections (c) through (f) of section 205 of
19 the Secure Rural Schools and Community
20 Self-Determination Act of 2000 (16 U.S.C.
21 7125).

22 “(2) INCLUSION.—A project under this sub-
23 section may carry out part of a proposal that com-
24 plies with the eligibility requirements of the Collabo-
25 rative Forest Landscape Restoration Program under

1 section 4003(b) of the Omnibus Public Land Man-
2 agement Act of 2009 (16 U.S.C. 7303(b)).

3 “(c) LIMITATIONS.—

4 “(1) PROJECT SIZE.—A project under this sec-
5 tion may not exceed 3000 acres.

6 “(2) LOCATION.—A project under this section
7 shall be limited to areas—

8 “(A) in the wildland-urban interface; or

9 “(B) Condition Classes 2 or 3 in Fire Re-
10 gime Groups I, II, or III, outside the wildland-
11 urban interface.

12 “(3) ROADS.—

13 “(A) PERMANENT ROADS.—

14 “(i) PROHIBITION ON ESTABLISH-
15 MENT.—A project under this section shall
16 not include the establishment of permanent
17 roads.

18 “(ii) EXISTING ROADS.—The Sec-
19 retary may carry out necessary mainte-
20 nance and repairs on existing permanent
21 roads for the purposes of this section.

22 “(B) TEMPORARY ROADS.—The Secretary
23 shall decommission any temporary road con-
24 structed under a project under this section not

1 later than 3 years after the date on which the
2 project is completed.

3 “(d) EXCLUSIONS.—This section does not apply to—

4 “(1) a component of the National Wilderness
5 Preservation System;

6 “(2) any Federal land on which, by Act of Con-
7 gress or Presidential proclamation, the removal of
8 vegetation is restricted or prohibited;

9 “(3) a congressionally designated wilderness
10 study area; or

11 “(4) an area in which activities under sub-
12 section (a) would be inconsistent with the applicable
13 land and resource management plan.

14 “(e) FOREST MANAGEMENT PLANS.—All projects
15 and activities carried out under this section shall be con-
16 sistent with the land and resource management plan es-
17 tablished under section 6 of the Forest and Rangeland Re-
18 newable Resources Planning Act of 1974 (16 U.S.C.
19 1604) for the unit of the National Forest System con-
20 taining the projects and activities.

21 “(f) PUBLIC NOTICE AND SCOPING.—The Secretary
22 shall conduct public notice and scoping for any project or
23 action proposed in accordance with this section.

24 “(g) ACCOUNTABILITY.—

1 “(1) IN GENERAL.—The Secretary shall pre-
2 pare an annual report on the use of categorical ex-
3 clusions under this section that includes a descrip-
4 tion of all acres (or other appropriate unit) treated
5 through projects carried out under this section.

6 “(2) SUBMISSION.—Not later than 1 year after
7 the date of enactment of this section, and each year
8 thereafter, the Secretary shall submit the reports re-
9 quired under paragraph (1) to—

10 “(A) the Committee on Agriculture, Nutri-
11 tion, and Forestry of the Senate;

12 “(B) the Committee on Environment and
13 Public Works of the Senate;

14 “(C) the Committee on Agriculture of the
15 House of Representatives;

16 “(D) the Committee on Natural Resources
17 of the House of Representatives; and

18 “(E) the Government Accountability Of-
19 fice.”.

20 **SEC. 8205. STEWARDSHIP END RESULT CONTRACTING**
21 **PROJECTS.**

22 (a) IN GENERAL.—Title VI of the Healthy Forests
23 Restoration Act of 2003 (16 U.S.C. 6591) (as amended
24 by section 8204) is amended by adding at the end the fol-
25 lowing:

1 **“SEC. 604. STEWARDSHIP END RESULT CONTRACTING**
2 **PROJECTS.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) CHIEF.—The term ‘Chief’ means the Chief
5 of the Forest Service.

6 “(2) DIRECTOR.—The term ‘Director’ means
7 the Director of the Bureau of Land Management.

8 “(b) PROJECTS.—The Chief and the Director, via
9 agreement or contract as appropriate, may enter into
10 stewardship contracting projects with private persons or
11 other public or private entities to perform services to
12 achieve land management goals for the national forests
13 and the public lands that meet local and rural community
14 needs.

15 “(c) LAND MANAGEMENT GOALS.—The land man-
16 agement goals of a project under subsection (b) may in-
17 clude any of the following:

18 “(1) Road and trail maintenance or obliteration
19 to restore or maintain water quality.

20 “(2) Soil productivity, habitat for wildlife and
21 fisheries, or other resource values.

22 “(3) Setting of prescribed fires to improve the
23 composition, structure, condition, and health of
24 stands or to improve wildlife habitat.

1 “(4) Removing vegetation or other activities to
2 promote healthy forest stands, reduce fire hazards,
3 or achieve other land management objectives.

4 “(5) Watershed restoration and maintenance.

5 “(6) Restoration and maintenance of wildlife
6 and fish.

7 “(7) Control of noxious and exotic weeds and
8 reestablishing native plant species.

9 “(d) AGREEMENTS OR CONTRACTS.—

10 “(1) PROCUREMENT PROCEDURE.—A source
11 for performance of an agreement or contract under
12 subsection (b) shall be selected on a best-value basis,
13 including consideration of source under other public
14 and private agreements or contracts.

15 “(2) CONTRACT FOR SALE OF PROPERTY.—A
16 contract entered into under this section may, at the
17 discretion of the Secretary of Agriculture, be consid-
18 ered a contract for the sale of property under such
19 terms as the Secretary may prescribe without regard
20 to any other provision of law.

21 “(3) TERM.—

22 “(A) IN GENERAL.—Except as provided in
23 subparagraph (B), the Chief and the Director
24 may enter into a contract under subsection (b)

1 in accordance with section 3903 of title 41,
2 United States Code.

3 “(B) MAXIMUM.—The period of the con-
4 tract under subsection (b) may exceed 5 years
5 but may not exceed 10 years.

6 “(4) OFFSETS.—

7 “(A) IN GENERAL.—The Chief and the Di-
8 rector may apply the value of timber or other
9 forest products removed as an offset against the
10 cost of services received under the agreement or
11 contract described in subsection (b).

12 “(B) METHODS OF APPRAISAL.—The value
13 of timber or other forest products used as an
14 offset under subparagraph (A)—

15 “(i) shall be determined using appro-
16 priate methods of appraisal commensurate
17 with the quantity of products to be re-
18 moved; and

19 “(ii) may—

20 “(I) be determined using a unit
21 of measure appropriate to the con-
22 tracts; and

23 “(II) may include valuing prod-
24 ucts on a per-acre basis.

1 “(5) RELATION TO OTHER LAWS.—Notwith-
2 standing subsections (d) and (g) of section 14 of the
3 National Forest Management Act of 1976 (16
4 U.S.C. 472a), the Chief may enter into an agree-
5 ment or contract under subsection (b).

6 “(6) CONTRACTING OFFICER.—Notwithstanding
7 any other provision of law, the Secretary or the Sec-
8 retary of the Interior may determine the appropriate
9 contracting officer to enter into and administer an
10 agreement or contract under subsection (b).

11 “(7) FIRE LIABILITY PROVISIONS.—Not later
12 than 90 days after the date of enactment of this sec-
13 tion, the Chief and the Director shall issue for use
14 in all contracts and agreements under this section
15 fire liability provisions that are in substantially the
16 same form as the fire liability provisions contained
17 in—

18 “(A) integrated resource timber contracts,
19 as described in the Forest Service contract
20 numbered 2400–13, part H, section H.4; and

21 “(B) timber sale contracts conducted pur-
22 suant to section 14 of the National Forest
23 Management Act of 1976 (16 U.S.C. 472a).

24 “(e) RECEIPTS.—

1 “(1) IN GENERAL.—The Chief and the Director
2 may collect monies from an agreement or contract
3 under subsection (b) if the collection is a secondary
4 objective of negotiating the contract that will best
5 achieve the purposes of this section.

6 “(2) USE.—Monies from an agreement or con-
7 tract under subsection (b)—

8 “(A) may be retained by the Chief and the
9 Director; and

10 “(B) shall be available for expenditure
11 without further appropriation at the project site
12 from which the monies are collected or at an-
13 other project site.

14 “(3) RELATION TO OTHER LAWS.—

15 “(A) IN GENERAL.—Notwithstanding any
16 other provision of law, the value of services re-
17 ceived by the Chief or the Director under a
18 stewardship contract project conducted under
19 this section, and any payments made or re-
20 sources provided by the contractor, Chief, or
21 Director shall not be considered monies received
22 from the National Forest System or the public
23 lands.

24 “(B) KNUTSON-VANDERBERG ACT.—The
25 Act of June 9, 1930 (commonly known as the

1 ‘Knutson-Vanderberg Act’) (16 U.S.C. 576 et
2 seq.) shall not apply to any agreement or con-
3 tract under subsection (b).

4 “(f) COSTS OF REMOVAL.—Notwithstanding the fact
5 that a contractor did not harvest the timber, the Chief
6 may collect deposits from a contractor covering the costs
7 of removal of timber or other forest products under—

8 “(1) the Act of August 11, 1916 (16 U.S.C.
9 490); and

10 “(2) the Act of June 30, 1914 (16 U.S.C. 498).

11 “(g) PERFORMANCE AND PAYMENT GUARANTEES.—

12 “(1) IN GENERAL.—The Chief and the Director
13 may require performance and payment bonds under
14 sections 28.103–2 and 28.103–3 of the Federal Ac-
15 quisition Regulation, in an amount that the con-
16 tracting officer considers sufficient to protect the in-
17 vestment in receipts by the Federal Government
18 generated by the contractor from the estimated
19 value of the forest products to be removed under a
20 contract under subsection (b).

21 “(2) EXCESS OFFSET VALUE.—If the offset
22 value of the forest products exceeds the value of the
23 resource improvement treatments, the Chief and the
24 Director may—

1 “(A) collect any residual receipts under the
2 Act of June 9, 1930 (commonly known as the
3 ‘Knutson-Vanderberg Act’) (16 U.S.C. 576 et
4 seq.); and

5 “(B) apply the excess to other authorized
6 stewardship projects.

7 “(h) MONITORING AND EVALUATION.—

8 “(1) IN GENERAL.—The Chief and the Director
9 shall establish a multiparty monitoring and evalua-
10 tion process that accesses the stewardship con-
11 tracting projects conducted under this section.

12 “(2) PARTICIPANTS.—Other than the Chief and
13 Director, participants in the process described in
14 paragraph (1) may include—

15 “(A) any cooperating governmental agen-
16 cies, including tribal governments; and

17 “(B) any other interested groups or indi-
18 viduals.

19 “(i) REPORTING.—Not later than 1 year after the
20 date of enactment of this section, and annually thereafter,
21 the Chief and the Director shall report to the Committee
22 on Agriculture, Nutrition, and Forestry of the Senate and
23 the Committee on Agriculture of the House of Representa-
24 tives on—

1 “(1) the status of development, execution, and
2 administration of agreements or contracts under
3 subsection (b);

4 “(2) the specific accomplishments that have re-
5 sulted; and

6 “(3) the role of local communities in the devel-
7 opment of agreements or contract plans.”.

8 (b) CONFORMING AMENDMENT.—Section 347 of the
9 Department of the Interior and Related Agencies Appro-
10 priations Act, 1999 (16 U.S.C. 2104 note; Public Law
11 105–277) is repealed.

12 **SEC. 8206. GOOD NEIGHBOR AUTHORITY.**

13 (a) DEFINITIONS.—In this section:

14 (1) AUTHORIZED RESTORATION SERVICES.—
15 The term “authorized restoration services” means
16 similar and complementary forest, rangeland, and
17 watershed restoration services carried out—

18 (A) on Federal land and non-Federal land;

19 and

20 (B) by either the Secretary or a Governor
21 pursuant to a good neighbor agreement.

22 (2) FEDERAL LAND.—

23 (A) IN GENERAL.—The term “Federal
24 land” means land that is—

25 (i) National Forest System land; or

1 (ii) public land (as defined in section
2 103 of the Federal Land Policy and Man-
3 agement Act of 1976 (43 U.S.C. 1702)).

4 (B) EXCLUSIONS.—The term “Federal
5 land” does not include—

6 (i) a component of the National Wil-
7 derness Preservation System;

8 (ii) Federal land on which the removal
9 of vegetation is prohibited or restricted by
10 Act of Congress or Presidential proclama-
11 tion (including the applicable implementa-
12 tion plan); or

13 (iii) a wilderness study area.

14 (3) FOREST, RANGELAND, AND WATERSHED
15 RESTORATION SERVICES.—

16 (A) IN GENERAL.—The term “forest,
17 rangeland, and watershed restoration services”
18 means—

19 (i) activities to treat insect- and dis-
20 ease-infected trees;

21 (ii) activities to reduce hazardous
22 fuels; and

23 (iii) any other activities to restore or
24 improve forest, rangeland, and watershed
25 health, including fish and wildlife habitat.

1 (B) EXCLUSIONS.—The term “forest,
2 rangeland, and watershed restoration services”
3 does not include—

4 (i) construction, reconstruction, re-
5 pair, or restoration of paved or permanent
6 roads or parking areas; or

7 (ii) construction, alteration, repair or
8 replacement of public buildings or works.

9 (4) GOOD NEIGHBOR AGREEMENT.—The term
10 “good neighbor agreement” means a cooperative
11 agreement or contract (including a sole source con-
12 tract) entered into between the Secretary and a Gov-
13 ernor to carry out authorized restoration services
14 under this section.

15 (5) GOVERNOR.—The term “Governor” means
16 the Governor or any other appropriate executive offi-
17 cial of an affected State or the Commonwealth of
18 Puerto Rico.

19 (6) ROAD.—The term “road” has the meaning
20 given the term in section 212.1 of title 36, Code of
21 Federal Regulations (as in effect on the date of en-
22 actment of this Act).

23 (7) SECRETARY.—The term “Secretary
24 means—

1 (A) the Secretary of Agriculture, with re-
2 spect to National Forest System land; and

3 (B) the Secretary of the Interior, with re-
4 spect to Bureau of Land Management land.

5 (b) GOOD NEIGHBOR AGREEMENTS.—

6 (1) GOOD NEIGHBOR AGREEMENTS.—

7 (A) IN GENERAL.—The Secretary may
8 enter into a good neighbor agreement with a
9 Governor to carry out authorized restoration
10 services in accordance with this section.

11 (B) PUBLIC AVAILABILITY.—The Secretary
12 shall make each good neighbor agreement avail-
13 able to the public.

14 (2) TIMBER SALES.—

15 (A) IN GENERAL.—Subsections (d) and (g)
16 of section 14 of the National Forest Manage-
17 ment Act of 1976 (16 U.S.C. 472a(d) and (g))
18 shall not apply to services performed under a
19 cooperative agreement or contract entered into
20 under subsection (a).

21 (B) APPROVAL OF SILVICULTURE PRE-
22 SCRIPTIONS AND MARKING GUIDES.—The Sec-
23 retary shall provide or approve all silviculture
24 prescriptions and marking guides to be applied

1 on Federal land in all timber sale projects con-
2 ducted under this section.

3 (3) RETENTION OF NEPA RESPONSIBILITIES.—

4 Any decision required to be made under the Na-
5 tional Environmental Policy Act of 1969 (42 U.S.C.
6 4321 et seq.) with respect to any authorized restora-
7 tion services to be provided under this section on
8 Federal land shall not be delegated to a Governor.

9 **Subtitle D—Miscellaneous**
10 **Provisions**

11 **SEC. 8301. REVISION OF STRATEGIC PLAN FOR FOREST IN-**
12 **VENTORY AND ANALYSIS.**

13 (a) REVISION REQUIRED.—Not later than 180 days
14 after the date of enactment of this Act, the Secretary shall
15 revise the strategic plan for forest inventory and analysis
16 initially prepared pursuant to section 3(e) of the Forest
17 and Rangeland Renewable Resources Research Act of
18 1978 (16 U.S.C. 1642(e)) to address the requirements im-
19 posed by subsection (b).

20 (b) ELEMENTS OF REVISED STRATEGIC PLAN.—In
21 revising the strategic plan, the Secretary shall describe in
22 detail the organization, procedures, and funding needed
23 to achieve each of the following:

1 (1) Complete the transition to a fully
2 annualized forest inventory program and include in-
3 ventory and analysis of interior Alaska.

4 (2) Implement an annualized inventory of trees
5 in urban settings, including the status and trends of
6 trees and forests, and assessments of their eco-
7 system services, values, health, and risk to pests and
8 diseases.

9 (3) Report information on renewable biomass
10 supplies and carbon stocks at the local, State, re-
11 gional, and national level, including by ownership
12 type.

13 (4) Engage State foresters and other users of
14 information from the forest inventory and analysis
15 in reevaluating the list of core data variables col-
16 lected on forest inventory and analysis plots with an
17 emphasis on demonstrated need.

18 (5) Improve the timeliness of the timber prod-
19 uct output program and accessibility of the
20 annualized information on that database.

21 (6) Foster greater cooperation among the forest
22 inventory and analysis program, research station
23 leaders, and State foresters and other users of infor-
24 mation from the forest inventory and analysis.

1 (7) Promote availability of and access to non-
2 Federal resources to improve information analysis
3 and information management.

4 (8) Collaborate with the Natural Resources
5 Conservation Service, National Aeronautics and
6 Space Administration, National Oceanic and Atmos-
7 pheric Administration, and United States Geological
8 Survey to integrate remote sensing, spatial analysis
9 techniques, and other new technologies in the forest
10 inventory and analysis program.

11 (9) Understand and report on changes in land
12 cover and use.

13 (10) Expand existing programs to promote sus-
14 tainable forest stewardship through increased under-
15 standing, in partnership with other Federal agencies,
16 of the over 10,000,000 family forest owners, their
17 demographics, and the barriers to forest steward-
18 ship.

19 (11) Implement procedures to improve the sta-
20 tistical precision of estimates at the sub-State level.

21 (c) SUBMISSION OF REVISED STRATEGIC PLAN.—

22 The Secretary shall submit the revised strategic plan to
23 the Committee on Agriculture of the House of Representa-
24 tives and the Committee on Agriculture, Nutrition, and
25 Forestry of the Senate.

1 **SEC. 8302. FOREST SERVICE PARTICIPATION IN ACES PRO-**
2 **GRAM.**

3 The Secretary, acting through the Chief of the Forest
4 Service, may use funds derived from conservation-related
5 programs executed on National Forest System land to uti-
6 lize the Agriculture Conservation Experienced Services
7 Program established pursuant to section 1252 of the Food
8 Security Act of 1985 (16 U.S.C. 3851) to provide tech-
9 nical services for conservation-related programs and au-
10 thorities carried out by the Secretary on National Forest
11 System land.

12 **SEC. 8303. EXTENSION OF STEWARDSHIP CONTRACTS AU-**
13 **THORITY REGARDING USE OF DESIGNATION**
14 **BY PRESCRIPTION TO ALL THINNING SALES**
15 **UNDER NATIONAL FOREST MANAGEMENT**
16 **ACT OF 1976.**

17 Section 14 of the National Forest Management Act
18 of 1976 (16 U.S.C. 472a) is amended by striking sub-
19 section (g) and inserting the following:

20 “(g) DESIGNATION AND SUPERVISION OF HAR-
21 VESTING.—

22 “(1) IN GENERAL.—Designation, including
23 marking when necessary, designation by description,
24 or designation by prescription, and supervision of
25 harvesting of trees, portions of trees, or forest prod-

1 ucts shall be conducted by persons employed by the
2 Secretary of Agriculture.

3 “(2) REQUIREMENT.—Persons employed by the
4 Secretary of Agriculture under paragraph (1)—

5 “(A) shall have no personal interest in the
6 purchase or harvest of the products; and

7 “(B) shall not be directly or indirectly in
8 the employment of the purchaser of the prod-
9 ucts.

10 “(3) METHODS FOR DESIGNATION.—Designa-
11 tion by prescription and designation by description
12 shall be considered valid methods for designation,
13 and may be supervised by use of post-harvest cruise,
14 sample weight scaling, or other methods determined
15 by the Secretary of Agriculture to be appropriate.”.

16 **SEC. 8304. REIMBURSEMENT OF FIRE FUNDS.**

17 (a) DEFINITION OF STATE.—In this section, the term
18 “State” means—

19 (1) a State; and

20 (2) the Commonwealth of Puerto Rico.

21 (b) IN GENERAL.—If a State seeks reimbursement
22 for amounts expended for resources and services provided
23 to another State for the management and suppression of
24 a wildfire, the Secretary, subject to subsections (c) and
25 (d)—

1 (1) may accept the reimbursement amounts
2 from the other State; and

3 (2) shall pay those amounts to the State seek-
4 ing reimbursement.

5 (c) MUTUAL ASSISTANCE AGREEMENT.—As a condi-
6 tion of seeking and providing reimbursement under sub-
7 section (b), the State seeking reimbursement and the
8 State providing reimbursement must each have a mutual
9 assistance agreement with the Forest Service or another
10 Federal agency for providing and receiving wildfire man-
11 agement and suppression resources and services.

12 (d) TERMS AND CONDITIONS.—The Secretary may
13 prescribe the terms and conditions determined to be nec-
14 essary to carry out subsection (b).

15 (e) EFFECT ON PRIOR REIMBURSEMENTS.—Any ac-
16 ceptance of funds or reimbursements made by the Sec-
17 retary before the date of enactment of this Act that other-
18 wise would have been authorized under this section shall
19 be considered to have been made in accordance with this
20 section.

21 (f) AMENDMENT.—Section 5(b) of the Act of May 27,
22 1955 (42 U.S.C. 1856d(b)) is amended in the first sen-
23 tence by inserting “or Department of Agriculture” after
24 “Department of Defense”.

1 **SEC. 8305. FOREST SERVICE LARGE AIRTANKER AND AER-**
2 **IAL ASSET FIREFIGHTING RECAPITALIZA-**
3 **TION PILOT PROGRAM.**

4 (a) IN GENERAL.—Subject to the availability of ap-
5 propriations, the Secretary, acting through the Chief of
6 the Forest Service, may establish a large airtanker and
7 aerial asset lease program in accordance with this section.

8 (b) AIRCRAFT REQUIREMENTS.—In carrying out the
9 program described in subsection (a), the Secretary may
10 enter into a multiyear lease contract for up to 5 aircraft
11 that meet the criteria—

12 (1) described in the Forest Service document
13 entitled “Large Airtanker Modernization Strategy”
14 and dated February 10, 2012, for large airtankers;
15 and

16 (2) determined by the Secretary, for other aer-
17 ial assets.

18 (c) LEASE TERMS.—The term of any individual lease
19 agreement into which the Secretary enters under this sec-
20 tion shall be—

21 (1) up to 5 years, inclusive of any options to
22 renew or extend the initial lease term; and

23 (2) in accordance with section 3903 of title 41,
24 United States Code.

1 (d) PROHIBITION.—No lease entered into under this
2 section shall provide for the purchase of the aircraft by,
3 or the transfer of ownership to, the Forest Service.

4 **SEC. 8306. LAND CONVEYANCE, JEFFERSON NATIONAL**
5 **FOREST IN WISE COUNTY, VIRGINIA.**

6 (a) DEFINITIONS.—In this section:

7 (1) ASSOCIATION.—The term “Association”
8 means the Mullins and Sturgill Cemetery Associa-
9 tion of Pound, Virginia.

10 (2) MAP.—The term “map” means the map ti-
11 tled “Mullins and Sturgill Cemetery” dated March
12 1, 2013.

13 (b) CONVEYANCE REQUIRED.—Upon payment by the
14 Association of the consideration under subsection (c) and
15 the costs under subsection (e), the Secretary shall, subject
16 to valid existing rights, convey to the Association all right,
17 title, and interest of the United States in and to a parcel
18 of National Forest System land in the Jefferson National
19 Forest in Wise County, Virginia, consisting of approxi-
20 mately 0.70 acres and containing the Mullins and Sturgill
21 Cemetery and an easement to provide access to the parcel,
22 as generally depicted on the map.

23 (c) CONSIDERATION.—

24 (1) FAIR MARKET VALUE.—As consideration for
25 the land conveyed under subsection (b), the Associa-

1 tion shall pay to the Secretary cash in an amount
2 equal to the market value of the land, as determined
3 by an appraisal approved by the Secretary and con-
4 ducted in conformity with the Uniform Appraisal
5 Standards for Federal Land Acquisitions and section
6 206 of the Federal Land Policy and Management
7 Act of 1976 (43 U.S.C. 1716).

8 (2) DEPOSIT.—The consideration received by
9 the Secretary under paragraph (1) shall be deposited
10 into the general fund of the Treasury of the United
11 States for the purposes of deficit reduction.

12 (d) DESCRIPTION OF PROPERTY.—The exact acreage
13 and legal description of the land to be conveyed under sub-
14 section (b) shall be determined by a survey satisfactory
15 to the Secretary.

16 (e) COSTS.—The Association shall pay to the Sec-
17 retary at closing the reasonable costs of the survey, the
18 appraisal, and any administrative and environmental anal-
19 yses required by law.

20 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
21 retary may require such additional terms and conditions
22 in connection with the conveyance under subsection (b) as
23 the Secretary considers appropriate to protect the inter-
24 ests of the United States.

1 **TITLE IX—ENERGY**

2 **SEC. 9001. DEFINITIONS.**

3 Section 9001 of the Farm Security and Rural Invest-
4 ment Act of 2002 (7 U.S.C. 8101) is amended by—

5 (1) redesignating paragraphs (9), (10), (11),
6 (12), (13), and (14) as paragraphs (10), (11), (12),
7 (13), (15), and (17);

8 (2) inserting after paragraph (8), the following
9 new paragraph:

10 “(9) FOREST PRODUCT.—

11 “(A) IN GENERAL.—The term ‘forest prod-
12 uct’ means a product made from materials de-
13 rived from the practice of forestry or the man-
14 agement of growing timber.

15 “(B) INCLUSIONS.—The term ‘forest prod-
16 uct’ includes—

17 “(i) pulp, paper, paperboard, pellets,
18 lumber, and other wood products; and

19 “(ii) any recycled products derived
20 from forest materials.”;

21 (3) by inserting after paragraph (13) (as redes-
22 ignated by paragraph (1) of this section) the fol-
23 lowing:

24 “(14) RENEWABLE CHEMICAL.—The term ‘re-
25 newable chemical’ means a monomer, polymer, plas-

1 tic, formulated product, or chemical substance pro-
2 duced from renewable biomass.”; and

3 (4) inserting after paragraph (15) (as so redes-
4 ignated), the following new paragraph:

5 “(16) RENEWABLE ENERGY SYSTEM.—

6 “(A) IN GENERAL.—Subject to subpara-
7 graph (B), the term ‘renewable energy system’
8 means a system that—

9 “(i) produces usable energy from a re-
10 newable energy source; and

11 “(ii) may include distribution compo-
12 nents necessary to move energy produced
13 by such system to the initial point of sale.

14 “(B) LIMITATION.—A system described in
15 subparagraph (A) may not include a mechanism
16 for dispensing energy at retail.”.

17 **SEC. 9002. BIOBASED MARKETS PROGRAM.**

18 (a) IN GENERAL.—Section 9002 of the Farm Secu-
19 rity and Rural Investment Act of 2002 (7 U.S.C. 8102)
20 is amended—

21 (1) in subsection (a)—

22 (A) in paragraph (2)(A)(i)—

23 (i) in subclause (I), by striking “and”
24 at the end;

1 (ii) in subclause (II)(bb), by striking
2 the period at the end and inserting “;
3 and”; and

4 (iii) by adding at the end the fol-
5 lowing:

6 “(III) establish a targeted
7 biobased-only procurement require-
8 ment under which the procuring agen-
9 cy shall issue a certain number of
10 biobased-only contracts when the pro-
11 curing agency is purchasing products,
12 or purchasing services that include the
13 use of products, that are included in
14 a biobased product category des-
15 ignated by the Secretary.”; and

16 (B) in paragraph (3)—

17 (i) in subparagraph (B)—

18 (I) in clause (v), by inserting “as
19 determined to be necessary by the
20 Secretary based on the availability of
21 data,” before “provide information”;

22 (II) by redesignating clauses (v)
23 and (vi) as clauses (vii) and (viii), re-
24 spectively; and

1 (III) by inserting after clause (iv)
2 the following:

3 “(v) require reporting of quantities
4 and types of biobased products purchased
5 by procuring agencies;

6 “(vi) promote biobased products, in-
7 cluding forest products, that apply an in-
8 novative approach to growing, harvesting,
9 sourcing, procuring, processing, manufac-
10 turing, or application of biobased products
11 regardless of the date of entry into the
12 marketplace;”; and

13 (ii) by adding at the end the fol-
14 lowing:

15 “(F) REQUIRED DESIGNATIONS.—Not
16 later than 1 year after the date of enactment of
17 this subparagraph, the Secretary shall begin to
18 designate intermediate ingredients or feedstocks
19 and assembled and finished biobased products
20 in the guidelines issued under this paragraph.”;

21 (2) in subsection (b)—

22 (A) in paragraph (3)—

23 (i) by striking “The Secretary” and
24 inserting the following:

25 “(A) IN GENERAL.—The Secretary”; and

1 (ii) by adding at the end the fol-
2 lowing:

3 “(B) AUDITING AND COMPLIANCE.—The
4 Secretary may carry out such auditing and
5 compliance activities as the Secretary deter-
6 mines to be necessary to ensure compliance
7 with subparagraph (A).”; and

8 (B) by adding at the end the following:

9 “(4) ASSEMBLED AND FINISHED PRODUCTS.—
10 Not later than 1 year after the date of enactment
11 of this paragraph, the Secretary shall begin issuing
12 criteria for determining which assembled and fin-
13 ished products may qualify to receive the label under
14 paragraph (1).”; and

15 (3) in subsection (g)—

16 (A) in paragraph (2)—

17 (i) in the matter preceding subpara-
18 graph (A) by striking “The report” and in-
19 serting “Each report under paragraph
20 (1).”; and

21 (ii) in subparagraph (A), by striking
22 “and” at the end;

23 (iii) in subparagraph (B)(ii), by strik-
24 ing the period at the end and inserting “;
25 and” ; and

1 (iv) by adding at the end the following
2 new subparagraph:

3 “(C) the progress made by other Federal
4 agencies in compliance with the biobased pro-
5 curement requirements, including the quantity
6 of purchases made.”; and

7 (B) by adding at the end the following:

8 “(3) ECONOMIC IMPACT STUDY AND REPORT.—

9 “(A) IN GENERAL.—The Secretary shall
10 conduct a study to assess the economic impact
11 of the biobased products industry, including—

12 “(i) the quantity of biobased products
13 sold;

14 “(ii) the value of the biobased prod-
15 ucts;

16 “(iii) the quantity of jobs created;

17 “(iv) the quantity of petroleum dis-
18 placed;

19 “(v) other environmental benefits; and

20 “(vi) areas in which the use or manu-
21 facturing of biobased products could be
22 more effectively used, including identifying
23 any technical and economic obstacles and
24 recommending how those obstacles can be
25 overcome.

1 “(B) REPORT.—Not later than 1 year
2 after the date of enactment of this subpara-
3 graph, the Secretary shall submit to Congress a
4 report describing the results of the study con-
5 ducted under subparagraph (A).”;

6 (4) by redesignating subsections (g) and (h) as
7 subsections (h) and (i), respectively;

8 (5) by inserting after subsection (f) the fol-
9 lowing new subsection:

10 “(g) FOREST PRODUCTS LABORATORY COORDINA-
11 TION.—In determining whether products are eligible for
12 the ‘USDA Certified Biobased Product’ label, the Sec-
13 retary (acting through the Forest Products Laboratory)
14 shall provide appropriate technical and other assistance to
15 the program and applicants for forest products.”; and

16 (6) in subsection (i) (as redesignated by para-
17 graph (4)), by striking paragraphs (1) and (2) and
18 inserting the following new paragraphs:

19 “(1) MANDATORY FUNDING.—Of the funds of
20 the Commodity Credit Corporation, the Secretary
21 shall use to carry out this section \$3,000,000 for
22 each of fiscal years 2014 through 2018.

23 “(2) DISCRETIONARY FUNDING.—There is au-
24 thorized to be appropriated to carry out this section

1 \$2,000,000 for each of fiscal years 2014 through
2 2018.”; and

3 (7) by adding at the end the following new sub-
4 section:

5 “(j) BIOBASED PRODUCT INCLUSION.—In this sec-
6 tion, the term ‘biobased product’ (as defined in section
7 9001) includes, with respect to forestry materials, forest
8 products that meet biobased content requirements, not-
9 withstanding the market share the product holds, the age
10 of the product, or whether the market for the product is
11 new or emerging.”.

12 (b) CONFORMING AMENDMENT.—Section
13 944(c)(2)(A) of the Energy Policy Act of 2005 (42 U.S.C.
14 16253(c)(2)(A)) is amended by striking “section
15 9002(h)(1)” and inserting “section 9002(b)”.

16 **SEC. 9003. BIOREFINERY ASSISTANCE.**

17 (a) PROGRAM ADJUSTMENTS.—Section 9003 of the
18 Farm Security and Rural Investment Act of 2002 (7
19 U.S.C. 8103) is amended—

20 (1) in the section heading, by inserting “, **RE-**
21 **NEWABLE CHEMICAL, AND BIOBASED PROD-**
22 **UCT MANUFACTURING**” after “**BIOREFINERY**”;

23 (2) in subsection (a), in the matter preceding
24 paragraph (1), by inserting “renewable chemicals,

1 and biobased product manufacturing” after “ad-
2 vanced biofuels,”;

3 (3) in subsection (b)—

4 (A) by redesignating paragraphs (1) and
5 (2) as paragraphs (2) and (3), respectively; and

6 (B) by inserting before paragraph (2) (as
7 so redesignated) the following:

8 “(1) BIOBASED PRODUCT MANUFACTURING.—

9 The term ‘biobased product manufacturing’ means
10 development, construction, and retrofitting of tech-
11 nologically new commercial-scale processing and
12 manufacturing equipment and required facilities that
13 will be used to convert renewable chemicals and
14 other biobased outputs of biorefineries into end-user
15 products on a commercial scale.”;

16 (4) in subsection (c), by striking “to eligible en-
17 tities” and all that follows through “guarantees for
18 loans” and inserting “to eligible entities guarantees
19 for loans”;

20 (5) by striking subsection (d);

21 (6) by redesignating subsections (e), (f), (g),
22 and (h) as subsections (d), (e), (f), and (g), respec-
23 tively; and

24 (7) in subsection (d) (as so redesignated)—

1 (A) in paragraph (1), by adding at the end
2 the following new subparagraph:

3 “(D) PROJECT DIVERSITY.—In approving
4 loan guarantee applications, the Secretary shall
5 ensure that, to the extent practicable, there is
6 diversity in the types of projects approved for
7 loan guarantees to ensure that as wide a range
8 as possible of technologies, products, and ap-
9 proaches are assisted.”.

10 (B) by striking “subsection (c)(2)” each
11 place it appears and inserting “subsection (c)”;
12 and

13 (C) in paragraph (2)(C), by striking “sub-
14 section (h)” and inserting “subsection (g)”.

15 (b) FUNDING.—Subsection (g) of section 9003 of the
16 Farm Security and Rural Investment Act of 2002 (7
17 U.S.C. 8103) (as redesignated by paragraph (6)) is
18 amended—

19 (1) by striking paragraph (1) and inserting the
20 following:

21 “(1) MANDATORY FUNDING.—

22 “(A) IN GENERAL.—Subject to subpara-
23 graph (B), of the funds of the Commodity
24 Credit Corporation, the Secretary shall use for

1 the cost of loan guarantees under this section,
2 to remain available until expended—

3 “(i) \$100,000,000 for fiscal year
4 2014; and

5 “(ii) \$50,000,000 for each of fiscal
6 years 2015 and 2016.

7 “(B) BIOBASED PRODUCT MANUFAC-
8 TURING.—Of the total amount of funds made
9 available for fiscal years 2014 and 2015 under
10 subparagraph (A), the Secretary may use for
11 the cost of loan guarantees under this section
12 not more than 15 percent of such funds to pro-
13 mote biobased product manufacturing.”; and

14 (2) in paragraph (2), by striking
15 “\$150,000,000 for each of fiscal years 2009 through
16 2013” and inserting “\$75,000,000 for each of fiscal
17 years 2014 through 2018”.

18 **SEC. 9004. REPOWERING ASSISTANCE PROGRAM.**

19 Section 9004(d) of the Farm Security and Rural In-
20 vestment Act of 2002 (7 U.S.C. 8104(d)) is amended—

21 (1) in paragraph (1), by striking “\$35,000,000
22 for fiscal year 2009” and inserting “\$12,000,000 for
23 fiscal year 2014”; and

24 (2) in paragraph (2), by striking “\$15,000,000
25 for each of fiscal years 2009 through 2013” and in-

1 serting “\$10,000,000 for each of fiscal years 2014
2 through 2018”.

3 **SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED**
4 **BIOFUELS.**

5 Section 9005(g) of the Farm Security and Rural In-
6 vestment Act of 2002 (7 U.S.C. 8105(g)) is amended—

7 (1) in paragraph (1)—

8 (A) in subparagraph (C), by striking “;
9 and” and inserting a semicolon;

10 (B) in subparagraph (D), by striking the
11 period and inserting “; and”; and

12 (C) by adding at the end the following new
13 subparagraph:

14 “(E) \$15,000,000 for each of fiscal years
15 2014 through 2018.”; and

16 (2) in paragraph (2), by striking “\$25,000,000
17 for each of fiscal years 2009 through 2013” and in-
18 serting “\$20,000,000 for each of fiscal years 2014
19 through 2018”.

20 **SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.**

21 Section 9006(d) of the Farm Security and Rural In-
22 vestment Act of 2002 (7 U.S.C. 8106(d)) is amended—

23 (1) in paragraph (1)—

1 (A) in the heading, by striking “FISCAL
2 YEARS 2009 THROUGH 2012” and inserting
3 “MANDATORY FUNDING” ; and

4 (B) by striking “2012” and inserting
5 “2018”; and

6 (2) in paragraph (2)—

7 (A) in the heading, by striking “AUTHOR-
8 IZATION OF APPROPRIATIONS” and inserting
9 “DISCRETIONARY FUNDING” ; and

10 (B) by striking “fiscal year 2013” and in-
11 serting “each of fiscal years 2014 through
12 2018”.

13 **SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.**

14 (a) PROGRAM ADJUSTMENTS.—Section 9007 of the
15 Farm Security and Rural Investment Act of 2002 (7
16 U.S.C. 8107) is amended—

17 (1) in subsection (b)(2)—

18 (A) in subparagraph (C), by striking
19 “and” at the end;

20 (B) by redesignating subparagraph (D) as
21 subparagraph (E); and

22 (C) by inserting after subparagraph (C)
23 the following:

1 “(D) a council (as defined in section 1528
2 of the Agriculture and Food Act of 1981 (16
3 U.S.C. 3451)); and”; and
4 (2) in subsection (c)—

5 (A) by striking paragraph (3);

6 (B) by redesignating paragraph (4) as
7 paragraph (3); and

8 (C) by adding at the end the following:

9 “(4) TIERED APPLICATION PROCESS.—

10 “(A) IN GENERAL.—In providing loan
11 guarantees and grants under this subsection,
12 the Secretary shall use a 3-tiered application
13 process that reflects the size of proposed
14 projects in accordance with this paragraph.

15 “(B) TIER 1.—The Secretary shall estab-
16 lish a separate application process for projects
17 for which the cost of the activity funded under
18 this subsection is not more than \$80,000.

19 “(C) TIER 2.—The Secretary shall estab-
20 lish a separate application process for projects
21 for which the cost of the activity funded under
22 this subsection is greater than \$80,000 but less
23 than \$200,000.

24 “(D) TIER 3.—The Secretary shall estab-
25 lish a separate application process for projects

1 for which the cost of the activity funded under
2 this subsection is equal to or greater than
3 \$200,000.

4 “(E) APPLICATION PROCESS.—The Sec-
5 retary shall establish an application, evaluation,
6 and oversight process that is the most sim-
7 plified for tier I projects and more comprehen-
8 sive for each subsequent tier.”.

9 (b) FUNDING.—Section 9007(g) of the Farm Secu-
10 rity and Rural Investment Act of 2002 (7 U.S.C. 8107(g))
11 is amended—

12 (1) in paragraph (1)—

13 (A) in subparagraph (C), by striking “;
14 and” and inserting a semicolon;

15 (B) in subparagraph (D), by striking the
16 period and inserting “; and”; and

17 (C) by adding at the end the following new
18 subparagraph:

19 “(E) \$50,000,000 for fiscal year 2014 and
20 each fiscal year thereafter.”; and

21 (2) in paragraph (3), by striking “\$25,000,000
22 for each of fiscal years 2009 through 2013” and in-
23 serting “\$20,000,000 for each of fiscal years 2014
24 through 2018”.

1 **SEC. 9008. BIOMASS RESEARCH AND DEVELOPMENT.**

2 Section 9008(h) of the Farm Security and Rural In-
3 vestment Act of 2002 (7 U.S.C. 8108(h)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (C), by striking “;
6 and” and inserting a semicolon;

7 (B) in subparagraph (D), by striking the
8 period and inserting “; and”; and

9 (C) by adding at the end the following new
10 subparagraph:

11 “(E) \$3,000,000 for each of fiscal years
12 2014 through 2017.”; and

13 (2) in paragraph (2), by striking “\$35,000,000
14 for each of fiscal years 2009 through 2013” and in-
15 serting “\$20,000,000 for each of fiscal years 2014
16 through 2018”.

17 **SEC. 9009. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIO-**
18 **ENERGY PRODUCERS.**

19 Section 9010(b) of the Farm Security and Rural In-
20 vestment Act of 2002 (7 U.S.C. 8110(b)) is amended—

21 (1) in paragraph (1)(A), by striking “2013”
22 and inserting “2018”; and

23 (2) in paragraph (2)(A), by striking “2013”
24 and inserting “2018”.

1 **SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.**

2 Section 9011 of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 8111) is amended to read
4 as follows:

5 **“SEC. 9011. BIOMASS CROP ASSISTANCE PROGRAM.**

6 “(a) DEFINITIONS.—In this section:

7 “(1) BCAP.—The term ‘BCAP’ means the Bio-
8 mass Crop Assistance Program established under
9 this section.

10 “(2) BCAP PROJECT AREA.—The term ‘BCAP
11 project area’ means an area that—

12 “(A) has specified boundaries that are sub-
13 mitted to the Secretary by the project sponsor
14 and subsequently approved by the Secretary;

15 “(B) includes producers with contract
16 acreage that will supply a portion of the renew-
17 able biomass needed by a biomass conversion
18 facility; and

19 “(C) is physically located within an eco-
20 nomically practicable distance from the biomass
21 conversion facility.

22 “(3) CONTRACT ACREAGE.—The term ‘contract
23 acreage’ means eligible land that is covered by a
24 BCAP contract entered into with the Secretary.

25 “(4) ELIGIBLE CROP.—

1 “(A) IN GENERAL.—The term ‘eligible
2 crop’ means a crop of renewable biomass.

3 “(B) EXCLUSIONS.—The term ‘eligible
4 crop’ does not include—

5 “(i) any crop that is eligible to receive
6 payments under title I of the Agricultural
7 Act of 2014 or an amendment made by
8 that title; or

9 “(ii) any plant that is invasive or nox-
10 ious or species or varieties of plants that
11 credible risk assessment tools or other
12 credible sources determine are potentially
13 invasive, as determined by the Secretary in
14 consultation with other appropriate Fed-
15 eral or State departments and agencies.

16 “(5) ELIGIBLE LAND.—

17 “(A) IN GENERAL.—The term ‘eligible
18 land’ includes—

19 “(i) agricultural and nonindustrial
20 private forest lands (as defined in section
21 5(c) of the Cooperative Forestry Assistance
22 Act of 1978 (16 U.S.C. 2103a(c))); and

23 “(ii) land enrolled in the conservation
24 reserve program established under sub-
25 chapter B of chapter I of subtitle D of title

1 XII of the Food Security Act of 1985 (16
2 U.S.C. 3831 et seq.), or the Agricultural
3 Conservation Easement Program estab-
4 lished under subtitle H of title XII of that
5 Act, under a contract that will expire at
6 the end of the current fiscal year.

7 “(B) EXCLUSIONS.—The term ‘eligible
8 land’ does not include—

9 “(i) Federal- or State-owned land;

10 “(ii) land that is native sod, as of the
11 date of enactment of the Food, Conserva-
12 tion, and Energy Act of 2008 (7 U.S.C.
13 8701 et seq.);

14 “(iii) land enrolled in the conservation
15 reserve program established under sub-
16 chapter B of chapter 1 of subtitle D of
17 title XII of the Food Security Act of 1985
18 (16 U.S.C. 3831 et seq.), other than land
19 described in subparagraph (A)(ii); or

20 “(iv) land enrolled in the Agricultural
21 Conservation Easement Program estab-
22 lished under subtitle H of title XII of that
23 Act, other than land described in subpara-
24 graph (A)(ii).

25 “(6) ELIGIBLE MATERIAL.—

1 “(A) IN GENERAL.—The term ‘eligible ma-
2 terial’ means renewable biomass harvested di-
3 rectly from the land, including crop residue
4 from any crop that is eligible to receive pay-
5 ments under title I of the Agricultural Act of
6 2014 or an amendment made by that title.

7 “(B) INCLUSIONS.—The term ‘eligible ma-
8 terial’ shall only include—

9 “(i) eligible material that is collected
10 or harvested by the eligible material
11 owner—

12 “(I) directly from—

13 “(aa) National Forest Sys-
14 tem;

15 “(bb) Bureau of Land Man-
16 agement land;

17 “(cc) non-Federal land; or

18 “(dd) land owned by an in-
19 dividual Indian or Indian tribe
20 that is held in trust by the
21 United States for the benefit of
22 the individual Indian or Indian
23 tribe or subject to a restriction
24 against alienation imposed by the
25 United States;

1 “(II) in a manner that is con-
2 sistent with—

3 “(aa) a conservation plan;

4 “(bb) a forest stewardship
5 plan; or

6 “(cc) a plan that the Sec-
7 retary determines is equivalent to
8 a plan described in item (aa) or
9 (bb) and consistent with Execu-
10 tive Order 13112 (42 U.S.C.
11 4321 note; relating to invasive
12 species);

13 “(ii) if woody eligible material, woody
14 eligible material that is produced on land
15 other than contract acreage that—

16 “(I) is a byproduct of a preventa-
17 tive treatment that is removed to re-
18 duce hazardous fuel or to reduce or
19 contain disease or insect infestation;
20 and

21 “(II) if harvested from Federal
22 land, is harvested in accordance with
23 section 102(e) of the Healthy Forests
24 Restoration Act of 2003 (16 U.S.C.
25 6512(e)); and

1 “(iii) eligible material that is delivered
2 to a qualified biomass conversion facility to
3 be used for heat, power, biobased products,
4 research, or advanced biofuels.

5 “(C) EXCLUSIONS.—The term ‘eligible ma-
6 terial’ does not include—

7 “(i) material that is whole grain from
8 any crop that is eligible to receive pay-
9 ments under title I of the Agricultural Act
10 of 2014 or an amendment made by that
11 title, including—

12 “(I) barley, corn, grain sorghum,
13 oats, rice, or wheat;

14 “(II) honey;

15 “(III) mohair;

16 “(IV) oilseeds, including canola,
17 crambe, flaxseed, mustard seed,
18 rapeseed, safflower seed, soybeans,
19 sesame seed, and sunflower seed;

20 “(V) peanuts;

21 “(VI) pulse;

22 “(VII) chickpeas, lentils, and dry
23 peas;

24 “(VIII) dairy products;

25 “(IX) sugar; and

- 1 “(X) wool and cotton boll fiber;
- 2 “(ii) animal waste and byproducts, in-
- 3 cluding fat, oil, grease, and manure;
- 4 “(iii) food waste and yard waste;
- 5 “(iv) algae;
- 6 “(v) woody eligible material that—
- 7 “(I) is removed outside contract
- 8 acreage; and
- 9 “(II) is not a byproduct of a pre-
- 10 ventative treatment to reduce haz-
- 11 ardous fuel or to reduce or contain
- 12 disease or insect infestation;
- 13 “(vi) any woody eligible material col-
- 14 lected or harvested outside contract acre-
- 15 age that would otherwise be used for exist-
- 16 ing market products; or
- 17 “(vii) bagasse.
- 18 “(7) PRODUCER.—The term ‘producer’ means
- 19 an owner or operator of contract acreage that is
- 20 physically located within a BCAP project area.
- 21 “(8) PROJECT SPONSOR.—The term ‘project
- 22 sponsor’ means—
- 23 “(A) a group of producers; or
- 24 “(B) a biomass conversion facility.

1 “(9) SOCIALLY DISADVANTAGED FARMER OR
2 RANCHER.—The term ‘socially disadvantaged farmer
3 or rancher’ has the meaning given the term in sec-
4 tion 2501(e) of the Food, Agriculture, Conservation,
5 and Trade Act of 1990 (7 U.S.C. 2279(e)).

6 “(b) ESTABLISHMENT AND PURPOSE.—The Sec-
7 retary shall establish and administer a Biomass Crop As-
8 sistance Program to—

9 “(1) support the establishment and production
10 of eligible crops for conversion to bioenergy in se-
11 lected BCAP project areas; and

12 “(2) assist agricultural and forest land owners
13 and operators with the collection, harvest, storage,
14 and transportation of eligible material for use in a
15 biomass conversion facility.

16 “(c) BCAP PROJECT AREA.—

17 “(1) IN GENERAL.—The Secretary shall provide
18 financial assistance to a producer of an eligible crop
19 in a BCAP project area.

20 “(2) SELECTION OF PROJECT AREAS.—

21 “(A) IN GENERAL.—To be considered for
22 selection as a BCAP project area, a project
23 sponsor shall submit to the Secretary a pro-
24 posal that, at a minimum, includes—

1 “(i) a description of the eligible land
2 and eligible crops of each producer that
3 will participate in the proposed BCAP
4 project area;

5 “(ii) a letter of commitment from a
6 biomass conversion facility that the facility
7 will use the eligible crops intended to be
8 produced in the proposed BCAP project
9 area;

10 “(iii) evidence that the biomass con-
11 version facility has sufficient equity avail-
12 able, as determined by the Secretary, if the
13 biomass conversion facility is not oper-
14 ational at the time the proposal is sub-
15 mitted to the Secretary; and

16 “(iv) any other information about the
17 biomass conversion facility or proposed bio-
18 mass conversion facility that the Secretary
19 determines necessary for the Secretary to
20 be reasonably assured that the plant will
21 be in operation by the date on which the
22 eligible crops are ready for harvest.

23 “(B) BCAP PROJECT AREA SELECTION
24 CRITERIA.—In selecting BCAP project areas,
25 the Secretary shall consider—

1 “(i) the volume of the eligible crops
2 proposed to be produced in the proposed
3 BCAP project area and the probability
4 that those crops will be used for the pur-
5 poses of the BCAP;

6 “(ii) the volume of renewable biomass
7 projected to be available from sources
8 other than the eligible crops grown on con-
9 tract acres;

10 “(iii) the anticipated economic impact
11 in the proposed BCAP project area;

12 “(iv) the opportunity for producers
13 and local investors to participate in the
14 ownership of the biomass conversion facil-
15 ity in the proposed BCAP project area;

16 “(v) the participation rate by—

17 “(I) beginning farmers or ranch-
18 ers (as defined in accordance with sec-
19 tion 343(a) of the Consolidated Farm
20 and Rural Development Act (7 U.S.C.
21 1991(a))); or

22 “(II) socially disadvantaged
23 farmers or ranchers;

24 “(vi) the impact on soil, water, and
25 related resources;

1 “(vii) the variety in biomass produc-
2 tion approaches within a project area, in-
3 cluding (as appropriate)—

4 “(I) agronomic conditions;

5 “(II) harvest and postharvest
6 practices; and

7 “(III) monoculture and
8 polyculture crop mixes;

9 “(viii) the range of eligible crops
10 among project areas;

11 “(ix) existing project areas that have
12 received funding under this section and the
13 continuation of funding of such project
14 areas to advance the maturity of such
15 project areas; and

16 “(x) any additional information that
17 the Secretary determines to be necessary.

18 “(3) CONTRACT.—

19 “(A) IN GENERAL.—On approval of a
20 BCAP project area by the Secretary, each pro-
21 ducer in the BCAP project area shall enter into
22 a contract directly with the Secretary.

23 “(B) MINIMUM TERMS.—At a minimum, a
24 contract under this subsection shall include
25 terms that cover—

1 “(i) an agreement to make available
2 to the Secretary, or to an institution of
3 higher education or other entity designated
4 by the Secretary, such information as the
5 Secretary considers to be appropriate to
6 promote the production of eligible crops
7 and the development of biomass conversion
8 technology;

9 “(ii) compliance with the highly erod-
10 ible land conservation requirements of sub-
11 title B of title XII of the Food Security
12 Act of 1985 (16 U.S.C. 3811 et seq.) and
13 the wetland conservation requirements of
14 subtitle C of title XII of that Act (16
15 U.S.C. 3821 et seq.);

16 “(iii) the implementation of (as deter-
17 mined by the Secretary)—

18 “(I) a conservation plan;

19 “(II) a forest stewardship plan;

20 or

21 “(III) a plan that is equivalent to
22 a conservation or forest stewardship
23 plan; and

24 “(iv) any additional requirements that
25 Secretary determines to be necessary.

1 “(C) DURATION.—A contract under this
2 subsection shall have a term of not more
3 than—

4 “(i) 5 years for annual and perennial
5 crops; or

6 “(ii) 15 years for woody biomass.

7 “(4) RELATIONSHIP TO OTHER PROGRAMS.—In
8 carrying out this subsection, the Secretary shall pro-
9 vide for the preservation of cropland base and yield
10 history applicable to the land enrolled in a BCAP
11 contract.

12 “(5) PAYMENTS.—

13 “(A) IN GENERAL.—The Secretary shall
14 make establishment and annual payments di-
15 rectly to producers to support the establishment
16 and production of eligible crops on contract
17 acreage.

18 “(B) AMOUNT OF ESTABLISHMENT PAY-
19 MENTS.—

20 “(i) IN GENERAL.—Subject to clause
21 (ii), the amount of an establishment pay-
22 ment under this subsection shall be not
23 more than 50 percent of the costs of estab-
24 lishing an eligible perennial crop covered

1 by the contract but not to exceed \$500 per
2 acre, including—

3 “(I) the cost of seeds and stock
4 for perennials;

5 “(II) the cost of planting the pe-
6 rennial crop, as determined by the
7 Secretary; and

8 “(III) in the case of nonindus-
9 trial private forestland, the costs of
10 site preparation and tree planting.

11 “(ii) SOCIALLY DISADVANTAGED
12 FARMERS OR RANCHERS.—In the case of
13 socially disadvantaged farmers or ranchers,
14 the costs of establishment may not exceed
15 \$750 per acre.

16 “(C) AMOUNT OF ANNUAL PAYMENTS.—

17 “(i) IN GENERAL.—Subject to clause
18 (ii), the amount of an annual payment
19 under this subsection shall be determined
20 by the Secretary.

21 “(ii) REDUCTION.—The Secretary
22 shall reduce an annual payment by an
23 amount determined to be appropriate by
24 the Secretary, if—

1 “(I) an eligible crop is used for
2 purposes other than the production of
3 energy at the biomass conversion fa-
4 cility;

5 “(II) an eligible crop is delivered
6 to the biomass conversion facility;

7 “(III) the producer receives a
8 payment under subsection (d);

9 “(IV) the producer violates a
10 term of the contract; or

11 “(V) the Secretary determines a
12 reduction is necessary to carry out
13 this section.

14 “(D) EXCLUSION.—The Secretary shall
15 not make any BCAP payments on land for
16 which payments are received under the con-
17 servation reserve program established under
18 subchapter B of chapter 1 of subtitle D of title
19 XII of the Food Security Act of 1985 (16
20 U.S.C. 3831 et seq.) or the agricultural con-
21 servation easement program established under
22 subtitle H of title XII of that Act.

23 “(d) ASSISTANCE WITH COLLECTION, HARVEST,
24 STORAGE, AND TRANSPORTATION.—

1 “(1) IN GENERAL.—The Secretary shall make a
2 payment for the delivery of eligible material to a bio-
3 mass conversion facility to—

4 “(A) a producer of an eligible crop that is
5 produced on BCAP contract acreage; or

6 “(B) a person with the right to collect or
7 harvest eligible material, regardless of whether
8 the eligible material is produced on contract
9 acreage.

10 “(2) PAYMENTS.—

11 “(A) COSTS COVERED.—A payment under
12 this subsection shall be in an amount described
13 in subparagraph (B) for—

14 “(i) collection;

15 “(ii) harvest;

16 “(iii) storage; and

17 “(iv) transportation to a biomass con-
18 version facility.

19 “(B) AMOUNT.—Subject to paragraph (3),
20 the Secretary may provide matching payments
21 at a rate of up to \$1 for each \$1 per ton pro-
22 vided by the biomass conversion facility, in an
23 amount not to exceed \$20 per dry ton for a pe-
24 riod of 2 years.

1 “(3) LIMITATION ON ASSISTANCE FOR BCAP
2 CONTRACT ACREAGE.—As a condition of the receipt
3 of an annual payment under subsection (c), a pro-
4 ducer receiving a payment under this subsection for
5 collection, harvest, storage, or transportation of an
6 eligible crop produced on BCAP acreage shall agree
7 to a reduction in the annual payment.

8 “(e) REPORT.—Not later than 4 years after the date
9 of enactment of the Agricultural Act of 2014, the Sec-
10 retary shall submit to the Committee on Agriculture of
11 the House of Representatives and the Committee on Agri-
12 culture, Nutrition, and Forestry of the Senate a report
13 on the dissemination by the Secretary of the best practice
14 data and information gathered from participants receiving
15 assistance under this section.

16 “(f) FUNDING.—

17 “(1) IN GENERAL.—Of the funds of the Com-
18 modity Credit Corporation, the Secretary shall use
19 to carry out this section \$25,000,000 for each of fis-
20 cal years 2014 through 2018.

21 “(2) COLLECTION, HARVEST, STORAGE, AND
22 TRANSPORTATION PAYMENTS.—Of the amount made
23 available under paragraph (1) for each fiscal year,
24 the Secretary shall use not less than 10 percent, nor
25 more than 50 percent, of the amount to make collec-

1 tion, harvest, transportation, and storage payments
2 under subsection (d)(2).

3 “(3) TECHNICAL ASSISTANCE.—

4 “(A) IN GENERAL.—Effective for fiscal
5 year 2014 and each subsequent fiscal year,
6 funds made available under this subsection shall
7 be available for the provision of technical assist-
8 ance with respect to activities authorized under
9 this section.

10 “(B) RELATIONSHIP TO OTHER LAWS.—To
11 the extent funds obligated or expended under
12 subparagraph (A) include funds of the Com-
13 modity Credit Corporation, such funds shall not
14 be considered an allotment or fund transfer
15 from the Commodity Credit Corporation for
16 purposes of the limit on expenditures for tech-
17 nical assistance imposed by section 11 of the
18 Commodity Credit Corporation Charter Act (15
19 U.S.C. 714i).”.

20 **SEC. 9011. REPEAL OF FOREST BIOMASS FOR ENERGY.**

21 Section 9012 of the Farm Security and Rural Invest-
22 ment Act of 2002 (7 U.S.C. 8112) is repealed.

1 **SEC. 9012. COMMUNITY WOOD ENERGY PROGRAM.**

2 (a) DEFINITION OF BIOMASS CONSUMER COOPERA-
3 TIVE.—Section 9013(a) of the Farm Security and Rural
4 Investment Act of 2002 (7 U.S.C. 8113(a)) is amended—

5 (1) by redesignating paragraphs (1) and (2) as
6 paragraphs (2) and (3), respectively; and

7 (2) by inserting before paragraph (2) (as so re-
8 designated) the following:

9 “(1) BIOMASS CONSUMER COOPERATIVE.—The
10 term ‘biomass consumer cooperative’ means a con-
11 sumer membership organization the purpose of
12 which is to provide members with services or dis-
13 counts relating to the purchase of biomass heating
14 products or biomass heating systems.”.

15 (b) GRANT PROGRAM.—Section 9013(b)(1) of the
16 Farm Security and Rural Investment Act of 2002 (7
17 U.S.C. 8113(b)(1)) is amended—

18 (1) in subparagraph (A), by striking “and”
19 after the semicolon at the end;

20 (2) in subparagraph (B), by striking the period
21 at the end and inserting “; and”; and

22 (3) by adding at the end the following:

23 “(C) grants of up to \$50,000 to biomass
24 consumer cooperatives for the purpose of estab-
25 lishing or expanding biomass consumer coopera-

1 tives that will provide consumers with services
2 or discounts relating to—

3 “(i) the purchase of biomass heating
4 systems;

5 “(ii) biomass heating products, includ-
6 ing wood chips, wood pellets, and advanced
7 biofuels; or

8 “(iii) the delivery and storage of bio-
9 mass of heating products.”.

10 (c) MATCHING FUNDS.—Section 9013(d) of the
11 Farm Security and Rural Investment Act of 2002 (7
12 U.S.C. 8113(d)) is amended—

13 (1) by striking “A State or local government
14 that receives a grant under subsection (b)” and in-
15 serting the following:

16 “(1) STATE AND LOCAL GOVERNMENTS.—A
17 State or local government that receives a grant
18 under subparagraph (A) or (B) of subsection
19 (b)(1)”;

20 (2) by adding at the end the following:

21 “(2) BIOMASS CONSUMER COOPERATIVES.—A
22 biomass consumer cooperative that receives a grant
23 under subsection (b)(1)(C) shall contribute an
24 amount of non-Federal funds (which may include
25 State, local, and nonprofit funds and membership

1 dues) toward the establishment or expansion of a
2 biomass consumer cooperative that is at least equal
3 to 50 percent of the amount of Federal funds re-
4 ceived for that purpose.”.

5 (d) AUTHORIZATION OF APPROPRIATIONS.—Section
6 9013(e) of the Farm Security and Rural Investment Act
7 of 2002 (7 U.S.C. 8113(e)) is amended by striking
8 “2013” and inserting “2018”.

9 **SEC. 9013. REPEAL OF BIOFUELS INFRASTRUCTURE STUDY.**

10 Section 9002 of the Food, Conservation, and Energy
11 Act of 2008 (Public Law 110–246; 122 Stat. 2095) is re-
12 pealed.

13 **SEC. 9014. REPEAL OF RENEWABLE FERTILIZER STUDY.**

14 Section 9003 of the Food, Conservation, and Energy
15 Act of 2008 (Public Law 110–246; 122 Stat. 2096) is re-
16 pealed.

17 **SEC. 9015. ENERGY EFFICIENCY REPORT FOR USDA FACILI-**
18 **TIES.**

19 (a) REPORT.—Not later than 180 days after the date
20 of the enactment of this Act, the Secretary of Agriculture
21 shall submit to the Committee on Agriculture of the House
22 of Representatives and the Committee on Agriculture, Nu-
23 trition, and Forestry of the Senate a report on energy use
24 and energy efficiency projects at the Washington, District

1 of Columbia, headquarters and the major regional facili-
2 ties of the Department of Agriculture.

3 (b) CONTENTS.—The report required by subsection
4 (a) shall include the following:

5 (1) An analysis of energy use by the Depart-
6 ment of Agriculture headquarters and major re-
7 gional facilities.

8 (2) A list of energy audits that have been con-
9 ducted at such facilities.

10 (3) A list of energy efficiency projects that have
11 been conducted at such facilities.

12 (4) A list of energy savings projects that could
13 be achieved with enacting a consistent, timely, and
14 proper mechanical insulation maintenance program
15 and upgrading mechanical insulation at such facili-
16 ties.

17 **TITLE X—HORTICULTURE**

18 **SEC. 10001. SPECIALTY CROPS MARKET NEWS ALLOCATION.**

19 Section 10107(b) of the Food, Conservation, and En-
20 ergy Act of 2008 (7 U.S.C. 1622b(b)) is amended by strik-
21 ing “2012” and inserting “2018”.

1 **SEC. 10002. REPEAL OF GRANT PROGRAM TO IMPROVE**
2 **MOVEMENT OF SPECIALTY CROPS.**

3 Effective October 1, 2013, section 10403 of the Food,
4 Conservation, and Energy Act of 2008 (7 U.S.C. 1622c)
5 is repealed.

6 **SEC. 10003. FARMERS' MARKET AND LOCAL FOOD PRO-**
7 **MOTION PROGRAM.**

8 Section 6 of the Farmer-to-Consumer Direct Mar-
9 keting Act of 1976 (7 U.S.C. 3005) is amended—

10 (1) in the section heading, by inserting “**AND**
11 **LOCAL FOOD**” after “**FARMERS' MARKET**”;

12 (2) in subsection (a)—

13 (A) by inserting “and Local Food” after
14 “Farmers' Market”;

15 (B) by striking “farmers' markets and to
16 promote”; and

17 (C) by striking the period and inserting
18 “and assist in the development of local food
19 business enterprises.”;

20 (3) by striking subsection (b) and inserting the
21 following:

22 “(b) **PROGRAM PURPOSES.**—The purposes of the
23 Program are to increase domestic consumption of and ac-
24 cess to locally and regionally produced agricultural prod-
25 ucts, and to develop new market opportunities for farm
26 and ranch operations serving local markets, by developing,

1 improving, expanding, and providing outreach, training,
2 and technical assistance to, or assisting in the develop-
3 ment, improvement and expansion of—

4 “(1) domestic farmers’ markets, roadside
5 stands, community-supported agriculture programs,
6 agritourism activities, and other direct producer-to-
7 consumer market opportunities; and

8 “(2) local and regional food business enter-
9 prises (including those that are not direct producer-
10 to-consumer markets) that process, distribute, ag-
11 gregate, or store locally or regionally produced food
12 products.”;

13 (4) in subsection (c)(1)—

14 (A) by inserting “or other agricultural
15 business entity” after “cooperative”; and

16 (B) by inserting “, including a community
17 supported agriculture network or association”
18 after “association”;

19 (5) by redesignating subsection (e) as sub-
20 section (g);

21 (6) by inserting after subsection (d) the fol-
22 lowing:

23 “(e) PRIORITIES.—In providing grants under the
24 Program, priority shall be given to applications that in-

1 clude projects that benefit underserved communities, in-
2 cluding communities that—

3 “(1) are located in areas of concentrated pov-
4 erty with limited access to fresh locally or regionally
5 grown foods; and

6 “(2) have not received benefits from the Pro-
7 gram in the recent past.

8 “(f) FUNDS REQUIREMENTS FOR ELIGIBLE ENTI-
9 TIES.—

10 “(1) MATCHING FUNDS.—An entity receiving a
11 grant under this section for a project to carry out
12 a purpose described in subsection (b)(2) shall pro-
13 vide matching funds in the form of cash or an in-
14 kind contribution in an amount equal to 25 percent
15 of the total cost of the project.

16 “(2) LIMITATION ON USE OF FUNDS.—An eligi-
17 ble entity may not use a grant or other assistance
18 provided under this section for the purchase, con-
19 struction, or rehabilitation of a building or struc-
20 ture.”; and

21 (7) in subsection (g) (as redesignated by para-
22 graph (5))—

23 (A) in paragraph (1)—

1 (i) in the paragraph heading, by strik-
2 ing “FISCAL YEARS 2008 THROUGH 2012”
3 and inserting “MANDATORY FUNDING”;

4 (ii) in subparagraph (B), by striking
5 “and” at the end;

6 (iii) in subparagraph (C), by striking
7 the period at the end and inserting “;
8 and”; and

9 (iv) by adding at the end the fol-
10 lowing:

11 “(D) \$30,000,000 for each of fiscal years
12 2014 through 2018.”;

13 (B) by striking paragraphs (3) and (5);

14 (C) by redesignating paragraph (4) as
15 paragraph (6); and

16 (D) by inserting after paragraph (2) the
17 following:

18 “(3) AUTHORIZATION OF APPROPRIATIONS.—

19 There is authorized to be appropriated to carry out
20 this section \$10,000,000 for each of fiscal years
21 2014 through 2018.

22 “(4) USE OF FUNDS.—Of the funds made avail-
23 able to carry out this section for a fiscal year—

1 “(A) 50 percent of the funds shall be used
2 for the purposes described in subsection (b)(1);
3 and

4 “(B) 50 percent of the funds shall be used
5 for the purposes described in subsection (b)(2).

6 “(5) LIMITATION ON ADMINISTRATIVE EX-
7 PENSES.—Not more than 4 percent of the total
8 amount made available to carry out this section for
9 a fiscal year may be used for administrative ex-
10 penses.”.

11 **SEC. 10004. ORGANIC AGRICULTURE.**

12 (a) ORGANIC PRODUCTION AND MARKET DATA INI-
13 TIATIVES.—Section 7407 of the Farm Security and Rural
14 Investment Act of 2002 (7 U.S.C. 5925c) is amended—

15 (1) in subsection (c)—

16 (A) in the matter preceding paragraph (1),
17 by inserting “and annually thereafter” after
18 “this subsection”;

19 (B) in paragraph (1), by striking “and” at
20 the end;

21 (C) by redesignating paragraph (2) as
22 paragraph (3); and

23 (D) by inserting after paragraph (1) the
24 following:

1 “(2) describes how data collection agencies
2 (such as the Agricultural Marketing Service and the
3 National Agricultural Statistics Service) are coordi-
4 nating with data user agencies (such as the Risk
5 Management Agency) to ensure that data collected
6 under this section can be used by data user agencies,
7 including by the Risk Management Agency to offer
8 price elections for all organic crops; and”;

9 (2) in subsection (d)—

10 (A) by striking paragraph (3);

11 (B) by redesignating paragraph (2) as
12 paragraph (3);

13 (C) by inserting after paragraph (1) the
14 following:

15 “(2) MANDATORY FUNDING.—In addition to
16 any funds made available under paragraph (1), of
17 the funds of the Commodity Credit Corporation, the
18 Secretary shall use to carry out this section
19 \$5,000,000, to remain available until expended.”;
20 and

21 (D) in paragraph (3) (as redesignated by
22 subparagraph (B))—

23 (i) in the paragraph heading, by strik-
24 ing “FOR FISCAL YEARS 2008 THROUGH
25 2012”;

1 (ii) by striking “paragraph (1)” and
2 inserting “paragraphs (1) and (2)”; and
3 (iii) by striking “2012” and inserting
4 “2018”.

5 (b) MODERNIZATION AND TECHNOLOGY UPGRADE
6 FOR NATIONAL ORGANIC PROGRAM.—Section 2123 of the
7 Organic Foods Production Act of 1990 (7 U.S.C. 6522)
8 is amended—

9 (1) in subsection (b)—

10 (A) in paragraph (5), by striking “and” at
11 the end;

12 (B) by redesignating paragraph (6) as
13 paragraph (7); and

14 (C) by inserting after paragraph (5) the
15 following:

16 “(6) \$15,000,000 for each of fiscal years 2014
17 through 2018; and”; and

18 (2) by adding at the end the following:

19 “(c) MODERNIZATION AND TECHNOLOGY UPGRADE
20 FOR NATIONAL ORGANIC PROGRAM.—

21 “(1) IN GENERAL.—The Secretary shall mod-
22 ernize database and technology systems of the na-
23 tional organic program.

24 “(2) FUNDING.—Of the funds of the Com-
25 modity Credit Corporation and in addition to any

1 other funds made available for that purpose, the
2 Secretary shall make available to carry out this sub-
3 section \$5,000,000 for fiscal year 2014, to remain
4 available until expended.”.

5 (c) NATIONAL ORGANIC CERTIFICATION COST-SHARE
6 PROGRAM.—Section 10606(d) of the Farm Security and
7 Rural Investment Act of 2002 (7 U.S.C. 6523(d)) is
8 amended by striking paragraph (1) and inserting the fol-
9 lowing:

10 “(1) MANDATORY FUNDING FOR FISCAL YEARS
11 2014 THROUGH 2018.—Of the funds of the Com-
12 modity Credit Corporation, the Secretary shall make
13 available to carry out this section \$11,500,000 for
14 each of fiscal years 2014 through 2018, to remain
15 available until expended.”.

16 (d) EXEMPTION OF CERTIFIED ORGANIC PRODUCTS
17 FROM PROMOTION ORDER ASSESSMENTS.—Section 501
18 of the Federal Agriculture Improvement and Reform Act
19 of 1996 (7 U.S.C. 7401) is amended by striking sub-
20 section (e) and inserting the following;

21 “(e) EXEMPTION OF CERTIFIED ORGANIC PRODUCTS
22 FROM PROMOTION ORDER ASSESSMENTS.—

23 “(1) IN GENERAL.—Notwithstanding any provi-
24 sion of a commodity promotion law, a person that
25 produces, handles, markets, or imports organic prod-

1 ucts may be exempt from the payment of an assess-
2 ment under a commodity promotion law with respect
3 to any agricultural commodity that is certified as
4 ‘organic’ or ‘100 percent organic’ (as defined in part
5 205 of title 7, Code of Federal Regulations (or a
6 successor regulation)).

7 “(2) SPLIT OPERATIONS.—The exemption de-
8 scribed in paragraph (1) shall apply to the certified
9 ‘organic’ or ‘100 percent organic’ (as defined in part
10 205 of title 7 of the Code of Federal Regulations (or
11 a successor regulation)) products of a producer, han-
12 dler, or marketer regardless of whether the agricul-
13 tural commodity subject to the exemption is pro-
14 duced, handled, or marketed by a person that also
15 produces, handles, or markets conventional or non-
16 organic agricultural products, including conventional
17 or nonorganic agricultural products of the same ag-
18 ricultural commodity as that for which the exemp-
19 tion is claimed.

20 “(3) APPROVAL.—The Secretary shall approve
21 the exemption of a person under this subsection if
22 the person maintains a valid organic certificate
23 issued under the Organic Foods Production Act of
24 1990 (7 U.S.C. 6501 et seq.).

1 “(4) TERMINATION OF EFFECTIVENESS.—This
2 subsection shall be effective until the date on which
3 the Secretary issues an organic commodity pro-
4 motion order in accordance with subsection (f).

5 “(5) REGULATIONS.—The Secretary shall pro-
6 mulgate regulations concerning eligibility and com-
7 pliance for an exemption under paragraph (1).”.

8 (e) ORGANIC COMMODITY PROMOTION ORDER.—Sec-
9 tion 501 of the Federal Agriculture Improvement and Re-
10 form Act of 1996 (7 U.S.C. 7401) is amended by adding
11 at the end the following:

12 “(f) ORGANIC COMMODITY PROMOTION ORDER.—

13 “(1) DEFINITIONS.—In this subsection:

14 “(A) CERTIFIED ORGANIC FARM.—The
15 term ‘certified organic farm’ has the meaning
16 given the term in section 2103 of the Organic
17 Foods Production Act of 1990 (7 U.S.C. 6502).

18 “(B) COVERED PERSON.—The term ‘cov-
19 ered person’ means a producer, handler, mar-
20 keter, or importer of an organic agricultural
21 commodity.

22 “(C) DUAL-COVERED AGRICULTURAL COM-
23 MODITY.—The term ‘dual-covered agricultural
24 commodity’ means an agricultural commodity
25 that—

1 “(i) is produced on a certified organic
2 farm; and

3 “(ii) is covered under both—

4 “(I) an organic commodity pro-
5 motion order issued pursuant to para-
6 graph (2); and

7 “(II) any other agricultural com-
8 modity promotion order issued under
9 section 514.

10 “(2) AUTHORIZATION.—The Secretary may
11 issue an organic commodity promotion order under
12 section 514 that includes any agricultural com-
13 modity that—

14 “(A) is produced or handled (as defined in
15 section 2103 of the Organic Foods Production
16 Act of 1990 (7 U.S.C. 6502)) and that is cer-
17 tified to be sold or labeled as ‘organic’ or ‘100
18 percent organic’ (as defined in part 205 of title
19 7, Code of Federal Regulations (or a successor
20 regulation)); or

21 “(B) is imported with a valid organic cer-
22 tificate (as defined in that part).

23 “(3) ELECTION.—If the Secretary issues an or-
24 ganic commodity promotion order described in para-
25 graph (2), a covered person may elect, for applicable

1 dual-covered agricultural commodities and in the
2 sole discretion of the covered person, whether to be
3 assessed under the organic commodity promotion
4 order or another applicable agricultural commodity
5 promotion order.

6 “(4) REGULATIONS.—The Secretary shall pro-
7 mulgate regulations concerning eligibility and com-
8 pliance for an exemption under paragraph (1).”.

9 (f) DEFINITION OF AGRICULTURAL COMMODITY.—
10 Section 513(1) of the Commodity Promotion, Research,
11 and Information Act of 1996 (7 U.S.C. 7412(1)) is
12 amended—

13 (1) by redesignating subparagraphs (E) and
14 (F) as subparagraphs (F) and (G), respectively; and

15 (2) by inserting after subparagraph (D) the fol-
16 lowing:

17 “(E) products, as a class, that are—

18 “(i) produced on a certified organic
19 farm (as defined in section 2103 of the Or-
20 ganic Foods Production Act of 1990 (7
21 U.S.C. 6502)); and

22 “(ii) certified to be sold or labeled as
23 ‘organic’ or ‘100 percent organic’ (as de-
24 fined in part 205 of title 7, Code of Fed-

1 eral Regulations (or a successor regula-
2 tion));”.

3 **SEC. 10005. INVESTIGATIONS AND ENFORCEMENT OF THE**
4 **ORGANIC FOODS PRODUCTION ACT OF 1990.**

5 (a) RECORDKEEPING BY CERTIFIED OPERATIONS.—

6 Section 2112 of the Organic Foods Production Act of
7 1990 (7 U.S.C. 6511) is amended by striking subsection
8 (d).

9 (b) RECORDKEEPING BY CERTIFYING AGENTS.—

10 (1) IN GENERAL.—Section 2116 of the Organic
11 Foods Production Act of 1990 (7 U.S.C. 6515) is
12 amended—

13 (A) by striking subsection (c);

14 (B) by redesignating subsections (d)
15 through (j) as subsections (c) through (i), re-
16 spectively; and

17 (C) in subsection (d) (as so redesignated),
18 in the matter preceding paragraph (1), by strik-
19 ing “subsection (d)” and inserting “subsection
20 (c)”.

21 (2) CONFORMING AMENDMENT.—Section
22 2107(a)(8) of the Organic Foods Production Act of
23 1990 (7 U.S.C. 6506(a)(8)) is amended by striking
24 “section 2116(h)” and inserting “section 2116(g)”.

1 (c) RECORDKEEPING, INVESTIGATIONS, AND EN-
2 FORCEMENT.—Section 2120 of the Organic Foods Pro-
3 duction Act of 1990 (7 U.S.C. 6519) is amended to read
4 as follows:

5 **“SEC. 2120. RECORDKEEPING, INVESTIGATIONS, AND EN-**
6 **FORCEMENT.**

7 “(a) RECORDKEEPING.—

8 “(1) IN GENERAL.—Except as otherwise pro-
9 vided in this title, each person who sells, labels, or
10 represents any agricultural product as having been
11 produced or handled using organic methods shall
12 make available to the Secretary or the applicable
13 governing State official, on request by the Secretary
14 or official, all records associated with the agricul-
15 tural product.

16 “(2) CERTIFIED OPERATIONS.—Each producer
17 that operates a certified organic farm or certified or-
18 ganic handling operation under this title shall main-
19 tain, for a period of not less than 5 years, all
20 records concerning the production or handling of any
21 agricultural product sold or labeled as organically
22 produced under this title, including—

23 “(A) a detailed history of substances ap-
24 plied to fields or agricultural products;

1 “(B) the name and address of each person
2 who applied such a substance; and

3 “(C) the date, rate, and method of applica-
4 tion of each such substance.

5 “(3) CERTIFYING AGENTS.—

6 “(A) MAINTENANCE OF RECORDS.—A cer-
7 tifying agent shall maintain all records con-
8 cerning the activities of the certifying agent
9 under this title for a period of not less than 10
10 years.

11 “(B) ACCESS FOR SECRETARY.—A certi-
12 fying agent shall provide to the Secretary and
13 the applicable governing State official (or a rep-
14 resentative) access to all records concerning the
15 activities of the certifying agent under this title.

16 “(C) TRANSFERENCE OF RECORDS.—If a
17 private person that was certified under this title
18 is dissolved or loses accreditation, all records
19 and copies of records concerning the activities
20 of the person under this title shall be—

21 “(i) transferred to the Secretary; and

22 “(ii) made available to the applicable
23 governing State official.

24 “(4) UNLAWFUL ACT.—It shall be unlawful and
25 a violation of this title for any person covered by

1 this title to fail or refuse to provide accurate infor-
2 mation (including a delay in the timely delivery of
3 such information) required by the Secretary under
4 this title.

5 “(5) CONFIDENTIALITY.—Except as provided in
6 section 2107(a)(9), or as otherwise directed by the
7 Secretary or the Attorney General for enforcement
8 purposes, no officer, employee, or agent of the
9 United States shall make available to the public any
10 information, statistic, or document obtained from, or
11 made available by, any person under this title, other
12 than in a manner that ensures that confidentiality is
13 preserved regarding—

14 “(A) the identity of all relevant persons
15 (including parties to a contract); and

16 “(B) proprietary business information.

17 “(b) INVESTIGATIONS.—

18 “(1) IN GENERAL.—The Secretary may take
19 such investigative actions as the Secretary considers
20 to be necessary—

21 “(A) to verify the accuracy of any informa-
22 tion reported or made available under this title;
23 and

24 “(B) to determine whether a person cov-
25 ered by this title has committed a violation of

1 any provision of this title, including an order or
2 regulation promulgated by the Secretary pursu-
3 ant to this title.

4 “(2) SPECIFIC INVESTIGATIVE POWERS.—In
5 carrying out this title, the Secretary may—

6 “(A) administer oaths and affirmations;

7 “(B) subpoena witnesses;

8 “(C) compel attendance of witnesses;

9 “(D) take evidence; and

10 “(E) require the production of any records
11 required to be maintained under this title that
12 are relevant to an investigation.

13 “(c) VIOLATIONS OF TITLE.—

14 “(1) MISUSE OF LABEL.—Any person who
15 knowingly sells or labels a product as organic, except
16 in accordance with this title, shall be subject to a
17 civil penalty of not more than \$10,000.

18 “(2) FALSE STATEMENT.—Any person who
19 makes a false statement under this title to the Sec-
20 retary, a governing State official, or a certifying
21 agent shall be punished in accordance with section
22 1001 of title 18, United States Code.

23 “(3) INELIGIBILITY.—

24 “(A) IN GENERAL.—Except as provided in
25 subparagraph (C), any person that carries out

1 an activity described in subparagraph (B), after
2 notice and an opportunity to be heard, shall not
3 be eligible, for the 5-year period beginning on
4 the date of the occurrence, to receive a certifi-
5 cation under this title with respect to any farm
6 or handling operation in which the person has
7 an interest.

8 “(B) DESCRIPTION OF ACTIVITIES.—An
9 activity referred to in subparagraph (A) is—

10 “(i) making a false statement;

11 “(ii) attempting to have a label indi-
12 cating that an agricultural product is or-
13 ganically produced affixed to an agricul-
14 tural product that a person knows, or
15 should have reason to know, to have been
16 produced or handled in a manner that is
17 not in accordance with this title; or

18 “(iii) otherwise violating the purposes
19 of the applicable organic certification pro-
20 gram, as determined by the Secretary.

21 “(C) WAIVER.—Notwithstanding subpara-
22 graph (A), the Secretary may modify or waive
23 a period of ineligibility under this paragraph if
24 the Secretary determines that the modification
25 or waiver is in the best interests of the applica-

1 ble organic certification program established
2 under this title.

3 “(4) REPORTING OF VIOLATIONS.—A certifying
4 agent shall immediately report any violation of this
5 title to the Secretary or the applicable governing
6 State official.

7 “(5) VIOLATIONS BY CERTIFYING AGENT.—A
8 certifying agent that is a private person that violates
9 the provisions of this title or falsely or negligently
10 certifies any farming or handling operation that does
11 not meet the terms and conditions of the applicable
12 organic certification program as an organic oper-
13 ation, as determined by the Secretary or the applica-
14 ble governing State official shall, after notice and an
15 opportunity to be heard—

16 “(A) lose accreditation as a certifying
17 agent under this title; and

18 “(B) be ineligible to be accredited as a cer-
19 tifying agent under this title for a period of not
20 less than 3 years, beginning on the date of the
21 determination.

22 “(6) EFFECT ON OTHER LAW.—Nothing in this
23 title alters—

1 “(A) the authority of the Secretary con-
2 cerning meat, poultry and egg products
3 under—

4 “(i) the Federal Meat Inspection Act
5 (21 U.S.C. 601 et seq.);

6 “(ii) the Poultry Products Inspection
7 Act (21 U.S.C. 451 et seq.); or

8 “(iii) the Egg Products Inspection Act
9 (21 U.S.C. 1031 et seq.);

10 “(B) the authority of the Secretary of
11 Health and Human Services under the Federal
12 Food, Drug, and Cosmetic Act (21 U.S.C. 301
13 et seq.); or

14 “(C) the authority of the Administrator of
15 the Environmental Protection Agency under the
16 Federal Insecticide, Fungicide, and Rodenticide
17 Act (7 U.S.C. 136 et seq.).”.

18 **SEC. 10006. FOOD SAFETY EDUCATION INITIATIVES.**

19 Section 10105(c) of the Food, Conservation, and En-
20 ergy Act of 2008 (7 U.S.C. 7655a(c)) is amended by strik-
21 ing “2012” and inserting “2018”.

1 **SEC. 10007. CONSOLIDATION OF PLANT PEST AND DISEASE**
2 **MANAGEMENT AND DISASTER PREVENTION**
3 **PROGRAMS.**

4 (a) RELOCATION OF LEGISLATIVE LANGUAGE RE-
5 LATING TO NATIONAL CLEAN PLANT NETWORK.—Section
6 420 of the Plant Protection Act (7 U.S.C. 7721) is amend-
7 ed—

8 (1) by redesignating subsection (e) as sub-
9 section (f); and

10 (2) by inserting after subsection (d) the fol-
11 lowing:

12 “(e) NATIONAL CLEAN PLANT NETWORK.—

13 “(1) IN GENERAL.—The Secretary shall estab-
14 lish a program to be known as the ‘National Clean
15 Plant Network’ (referred to in this subsection as the
16 ‘Program’).

17 “(2) REQUIREMENTS.—Under the Program, the
18 Secretary shall establish a network of clean plant
19 centers for diagnostic and pathogen elimination serv-
20 ices—

21 “(A) to produce clean propagative plant
22 material; and

23 “(B) to maintain blocks of pathogen-tested
24 plant material in sites located throughout the
25 United States.

1 “(3) AVAILABILITY OF CLEAN PLANT SOURCE
2 MATERIAL.—Clean plant source material may be
3 made available to—

4 “(A) a State for a certified plant program
5 of the State; and

6 “(B) private nurseries and producers.

7 “(4) CONSULTATION AND COLLABORATION.—In
8 carrying out the Program, the Secretary shall—

9 “(A) consult with—

10 “(i) State departments of agriculture;
11 and

12 “(ii) land-grant colleges and univer-
13 sities and NLGCA Institutions (as those
14 terms are defined in section 1404 of the
15 National Agricultural Research, Extension,
16 and Teaching Policy Act of 1977 (7 U.S.C.
17 3103)); and

18 “(B) to the extent practicable and with
19 input from the appropriate State officials and
20 industry representatives, use existing Federal or
21 State facilities to serve as clean plant centers.

22 “(5) FUNDING FOR FISCAL YEAR 2013.—There
23 is authorized to be appropriated to carry out the
24 Program \$5,000,000 for fiscal year 2013.”.

1 (b) FUNDING.—Subsection (f) of section 420 of the
2 Plant Protection Act (7 U.S.C. 7721) (as so redesignated)
3 is amended—

4 (1) in paragraph (3), by striking “and” at the
5 end;

6 (2) in paragraph (4), by striking “and each fis-
7 cal year thereafter.” and inserting a semicolon; and

8 (3) by adding at the end the following:

9 “(5) \$62,500,000 for each of fiscal years 2014
10 through 2017; and

11 “(6) \$75,000,000 for fiscal year 2018 and each
12 fiscal year thereafter.”.

13 (c) REPEAL OF EXISTING PROVISION.—Section
14 10202 of the Food, Conservation, and Energy Act of 2008
15 (7 U.S.C. 7761) is repealed.

16 (d) USE OF FUNDS FOR CLEAN PLANT NETWORK.—
17 Section 420 of the Plant Protection Act (7 U.S.C. 7721)
18 (as amended by subsection (a)), is amended by adding at
19 the end the following:

20 “(g) USE OF FUNDS FOR CLEAN PLANT NET-
21 WORK.—Of the funds made available under subsection (f)
22 to carry out this section for a fiscal year, not less than
23 \$5,000,000 shall be available to carry out the National
24 Clean Plant Network under subsection (e).

1 “(h) LIMITATION ON INDIRECT COSTS FOR THE CON-
2 SOLIDATION OF PLANT PEST AND DISEASE MANAGE-
3 MENT AND DISASTER PREVENTION PROGRAMS.—Indirect
4 costs charged against a cooperative agreement under this
5 section shall not exceed the lesser of—

6 “(1) 15 percent of the total Federal funds pro-
7 vided under the cooperative agreement, as deter-
8 mined by the Secretary; and

9 “(2) the indirect cost rate applicable to the re-
10 cipient as otherwise established by law.”.

11 **SEC. 10008. IMPORTATION OF SEED.**

12 Section 17(c) of the Federal Insecticide, Fungicide,
13 and Rodenticide Act (7 U.S.C. 136o(c)) is amended—

14 (1) by striking “The Secretary” and inserting
15 the following:

16 “(1) IN GENERAL.—The Secretary”; and

17 (2) by adding at the end the following:

18 “(2) IMPORTATION OF SEED.—Notwithstanding
19 any other provision of law, no person is required to
20 notify the Administrator of the arrival of a plant-in-
21 corporated protectant (as defined in section 174.3 of
22 title 40, Code of Federal Regulations (or any suc-
23 cessor regulation)) that is contained in a seed, if—

24 “(A) that plant-incorporated protectant is
25 registered under section 3;

1 “(B) the Administrator has issued an ex-
2 perimental use permit for that plant-incor-
3 porated protectant under section 5; or

4 “(C) the seed is covered by a permit (as
5 defined in part 340 of title 7, Code of Federal
6 Regulations (or any successor regulation)) or a
7 notification.

8 “(3) COOPERATION.—

9 “(A) IN GENERAL.—In response to a re-
10 quest from the Administrator, the Secretary of
11 Agriculture shall provide to the Administrator a
12 list of seed containing plant-incorporated
13 protectants (as defined in section 174.3 of title
14 40, Code of Federal Regulations (or any suc-
15 cessor regulation)) if the importation of that
16 seed into the United States has been approved
17 under a permit or notification referred to in
18 paragraph (2).

19 “(B) CONTENTS.—The list under subpara-
20 graph (A) shall be provided in a form and at
21 such intervals as may be agreed to by the Sec-
22 retary and the Administrator.

23 “(4) APPLICABILITY.—Nothing in this sub-
24 section precludes or limits the authority of the Sec-
25 retary of Agriculture with respect to the importation

1 or movement of plants, plant products, or seeds
2 under—

3 “(A) the Plant Protection Act (7
4 U.S.C.7701 et seq.); and

5 “(B) the Federal Seed Act (7 U.S.C. 1551
6 et seq.).”.

7 **SEC. 10009. BULK SHIPMENTS OF APPLES TO CANADA.**

8 (a) BULK SHIPMENT OF APPLES TO CANADA.—Sec-
9 tion 4 of the Export Apple Act (7 U.S.C. 584) is amend-
10 ed—

11 (1) by striking “SEC. 4. Apples in” and insert-
12 ing the following:

13 **“SEC. 4. EXEMPTIONS.**

14 “(a) IN GENERAL.—Apples in”; and

15 (2) by adding at the end the following:

16 “(b) BULK CONTAINERS.—Apples may be shipped to
17 Canada in bulk containers without complying with the pro-
18 visions of this Act.”.

19 (b) DEFINITION OF BULK CONTAINER.—Section 9 of
20 the Export Apple Act (7 U.S.C. 589) is amended by add-
21 ing at the end the following:

22 “(5) The term ‘bulk container’ means a container
23 that contains a quantity of apples weighing more than 100
24 pounds.”.

1 (c) REGULATIONS.—Not later than 60 days after the
2 date of enactment of this Act, the Secretary shall issue
3 regulations to carry out the amendments made by this sec-
4 tion.

5 **SEC. 10010. SPECIALTY CROP BLOCK GRANTS.**

6 Section 101 of the Specialty Crops Competitiveness
7 Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465)
8 is amended—

9 (1) in subsection (a)—

10 (A) by striking “subsection (j)” and insert-
11 ing “subsection (l)”; and

12 (B) by striking “2012” and inserting
13 “2018”;

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

16 “(b) GRANTS BASED ON VALUE AND ACREAGE.—

17 Subject to subsection (c), for each State whose application
18 for a grant for a fiscal year that is accepted by the Sec-
19 retary under subsection (f), the amount of the grant for
20 that fiscal year to the State under this section shall bear
21 the same ratio to the total amount made available under
22 subsection (l)(1) for that fiscal year as—

23 “(1) the average of the most recent available
24 value of specialty crop production in the State and
25 the acreage of specialty crop production in the State,

1 as demonstrated in the most recent Census of Agri-
2 culture data; bears to

3 “(2) the average of the most recent available
4 value of specialty crop production in all States and
5 the acreage of specialty crop production in all
6 States, as demonstrated in the most recent Census
7 of Agriculture data.”;

8 (3) by redesignating subsection (j) as sub-
9 section (l);

10 (4) by inserting after subsection (i) the fol-
11 lowing:

12 “(j) MULTISTATE PROJECTS.—Not later than 180
13 days after the effective date of the Agricultural Act of
14 2014, the Secretary of Agriculture shall issue guidance for
15 the purpose of making grants to multistate projects under
16 this section for projects involving—

17 “(1) food safety;

18 “(2) plant pests and disease;

19 “(3) research;

20 “(4) crop-specific projects addressing common
21 issues; and

22 “(5) any other area that furthers the purposes
23 of this section, as determined by the Secretary.

24 “(k) ADMINISTRATION.—

1 “(1) DEPARTMENT.—The Secretary of Agri-
2 culture may not use more than 3 percent of the
3 funds made available to carry out this section for a
4 fiscal year for administrative expenses.

5 “(2) STATES.—A State receiving a grant under
6 this section may not use more than 8 percent of the
7 funds received under the grant for a fiscal year for
8 administrative expenses.”; and

9 (5) in subsection (l) (as redesignated by para-
10 graph (3))—

11 (A) by redesignating paragraphs (1), (2),
12 and (3) as subparagraphs (A), (B), and (C), re-
13 spectively, and indenting appropriately;

14 (B) by striking “Of the funds” and insert-
15 ing the following:

16 “(1) IN GENERAL.—Of the funds”;

17 (C) in paragraph (1) (as so designated)—

18 (i) in subparagraph (B) (as redesign-
19 ated by subparagraph (A)), by striking
20 “and” at the end;

21 (ii) in subparagraph (C) (as redesign-
22 ated by subparagraph (A)), by striking
23 the period at the end and inserting a semi-
24 colon; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(D) \$72,500,000 for each of fiscal years
4 2014 through 2017; and

5 “(E) \$85,000,000 for fiscal year 2018 and
6 each fiscal year thereafter.”; and

7 (D) by adding at the end the following:

8 “(2) MULTISTATE PROJECTS.—Of the funds
9 made available under paragraph (1), the Secretary
10 may use to carry out subsection (j), to remain avail-
11 able until expended—

12 “(A) \$1,000,000 for fiscal year 2014;

13 “(B) \$2,000,000 for fiscal year 2015;

14 “(C) \$3,000,000 for fiscal year 2016;

15 “(D) \$4,000,000 for fiscal year 2017; and

16 “(E) \$5,000,000 for fiscal year 2018.”.

17 **SEC. 10011. DEPARTMENT OF AGRICULTURE CONSULTA-**
18 **TION REGARDING ENFORCEMENT OF CER-**
19 **TAIN LABOR LAW PROVISIONS.**

20 (a) IN GENERAL.—Not later than 60 days after the
21 date of enactment of this Act, the Secretary shall consult
22 with the Secretary of Labor regarding the restraining of
23 shipments of agricultural commodities, or the confiscation
24 of agricultural commodities, by the Department of Labor

1 for actual or suspected labor law violations in order to con-
2 sider—

- 3 (1) the perishable nature of the commodities;
- 4 (2) the impact of the restraining or confiscation
5 on the economic viability of farming operations; and
- 6 (3) the competitiveness of specialty crops
7 through grants awarded to States under section 101
8 of the Specialty Crops Competitiveness Act of 2004
9 (7 U.S.C. 1621 note; Public Law 108–465).

10 (b) REPORT.—The Secretary of Labor shall submit
11 to the Committees on Agriculture and Education and
12 Workforce of the House of Representative and the Com-
13 mittees on Agriculture, Nutrition, and Forestry and
14 Health, Education, Labor, and Pensions of the Senate a
15 report that describes the number of instances during the
16 period of fiscal years 2008 through 2013 that the Depart-
17 ment of Labor has contacted a purchaser of perishable ag-
18 ricultural commodities to notify that purchaser of an in-
19 vestigation or pending enforcement action against a pro-
20 ducer from whom the purchaser has purchased perishable
21 agricultural commodities.

22 **SEC. 10012. REPORT ON HONEY.**

23 (a) REPORT.—Not later than 180 days after the date
24 of enactment of this Act, the Secretary, in consultation
25 with persons affected by the potential establishment of a

1 Federal standard for the identity of honey, shall submit
2 to the Commissioner of Food and Drugs a report describ-
3 ing how an appropriate Federal standard for the identity
4 of honey would be in the interest of consumers, the honey
5 industry, and United States agriculture.

6 (b) CONSIDERATIONS.—In preparing the report re-
7 quired under subsection (a), the Secretary shall take into
8 consideration the March 2006, Standard of Identity citi-
9 zens petition filed with the Food and Drug Administra-
10 tion, including any current industry amendments or clari-
11 fications necessary to update that petition.

12 **SEC. 10013. REPORTS TO CONGRESS.**

13 (a) IN GENERAL.—Not later than 180 days and 1
14 year after the date of enactment of this Act, the Adminis-
15 trator of the Environmental Protection Agency and Secre-
16 taries of Commerce, Agriculture and the Interior shall
17 submit to the Committees on Agriculture and Natural Re-
18 sources of the House of Representatives and the Commit-
19 tees on Agriculture, Nutrition, and Forestry and Environ-
20 ment and Public Works of the Senate, 2 reports that de-
21 scribe approaches and actions taken by the Environmental
22 Protection Agency, the United States Fish and Wildlife
23 Service, and the National Marine Fisheries Service—

24 (1) to implement recommendations, including
25 an analysis of how any identified delays to imple-

1 mentation will be overcome, of the 2013 Expert Re-
2 port authored by the National Research Council of
3 the National Academies entitled “Assessing Risks to
4 Endangered and Threatened Species from Pes-
5 ticides”;

6 (2) to otherwise minimize delays in inte-
7 grating—

8 (A) the pesticide registration and registra-
9 tion review requirements of sections 3 and 33
10 of the Federal Insecticide, Fungicide, and
11 Rodenticide Act (7 U.S.C. 136a, 136w–8); and

12 (B) the species and habitat protection
13 processes described in sections 7 and 10 of the
14 Endangered Species Act of 1973 (16 U.S.C.
15 1536, 1539); and

16 (3) to ensure public participation and trans-
17 parency during the development, implementation,
18 and evaluation of the approaches to implement the
19 recommendations contained in the report described
20 in paragraph (1).

21 (b) REQUIREMENT FOR FINAL REPORT.—In addition
22 to the requirements of subsection (a), the final report sub-
23 mitted to Congress under that subsection shall—

24 (1) inform Congress of specific actions that
25 have been and will be taken to address the rec-

1 ommendations identified in subsection (a)(1), includ-
2 ing an evaluation to establish that—

3 (A) the approaches utilize the best avail-
4 able science;

5 (B) reasonable and prudent alternatives
6 within biological opinions are technologically
7 and economically feasible;

8 (C) reasonable and prudent measures are
9 necessary and appropriate; and

10 (D) the agencies ensure public participa-
11 tion and transparency in the development of
12 reasonable and prudent alternatives and reason-
13 able and prudent measures; and

14 (2) update the study and report required by
15 subsections (b) and (c) of section 1010 of Public
16 Law 100–478 (7 U.S.C. 136a note).

17 **SEC. 10014. STAY OF REGULATIONS.**

18 Not later than 60 days after the date of enactment
19 of this Act, the Secretary shall lift the administrative stay
20 imposed under the rule of the Secretary entitled “Christ-
21 mas Tree Promotion, Research, and Information Order;
22 Stay of Regulations” and published by the Department
23 of Agriculture on November 17, 2011 (76 Fed. Reg.
24 71241), on the regulations in subpart A of part 1214 of
25 title 7, Code of Federal Regulations, establishing an in-

1 dusty-fund promotion, research, and information pro-
2 gram for fresh-cut Christmas trees.

3 **SEC. 10015. REGULATION OF SULFURYL FLUORIDE.**

4 Notwithstanding any other provision of law, the Ad-
5 ministrator of the Environmental Protection Agency shall
6 exclude nonpesticidal sources of fluoride from any aggre-
7 gate exposure assessment required under section 408 of
8 the Federal Food, Drug, and Cosmetic Act (21 U.S.C.
9 346a) when assessing tolerances associated with residues
10 from the pesticide.

11 **SEC. 10016. LOCAL FOOD PRODUCTION AND PROGRAM**
12 **EVALUATION.**

13 (a) IN GENERAL.—The Secretary shall—

14 (1) collect data on—

15 (A) the production and marketing of lo-
16 cally or regionally produced agricultural food
17 products; and

18 (B) direct and indirect regulatory compli-
19 ance costs affecting the production and mar-
20 keting of locally or regionally produced agricul-
21 tural food products;

22 (2) facilitate interagency collaboration and data
23 sharing on programs relating to local and regional
24 food systems;

25 (3) monitor—

1 (A) the effectiveness of programs designed
2 to expand or facilitate local food systems; and

3 (B) barriers to local and regional market
4 access due to Federal regulation of small-scale
5 production; and

6 (4) evaluate the manner in which local food sys-
7 tems—

8 (A) contribute to improving community
9 food security; and

10 (B) assist populations with limited access
11 to healthy food.

12 (b) REQUIREMENTS.—In carrying out this section,
13 the Secretary shall, at a minimum—

14 (1) collect and distribute comprehensive report-
15 ing of prices and volume of locally or regionally pro-
16 duced agricultural food products;

17 (2) conduct surveys and analysis and publish
18 reports relating to the production, handling, dis-
19 tribution, retail sales, and trend studies (including
20 consumer purchasing patterns) of or on locally or re-
21 regionally produced agricultural food products;

22 (3) evaluate the effectiveness of existing pro-
23 grams in growing local and regional food systems,
24 including—

1 (A) the impact of local food systems on job
2 creation and economic development;

3 (B) the level of participation in the Farm-
4 ers' Market and Local Food Promotion Pro-
5 gram established under section 6 of the Farm-
6 er-to-Consumer Direct Marketing Act of 1976
7 (7 U.S.C. 3005), including the percentage of
8 projects funded in comparison to applicants and
9 the types of eligible entities receiving funds;

10 (C) the ability of participants to leverage
11 private capital and a synopsis of the places
12 from which non-Federal funds are derived; and

13 (D) any additional resources required to
14 aid in the development or expansion of local
15 and regional food systems;

16 (4) evaluate the impact that Federal regulation
17 of small commercial producers of agricultural food
18 products intended for local and regional consump-
19 tion may have on—

20 (A) local job creation and economic devel-
21 opment;

22 (B) access to local and regional fruit and
23 vegetable markets, including for new and begin-
24 ning small commercial producers; and

25 (C) participation in—

- 1 (i) supplier networks;
- 2 (ii) high volume distribution systems;
- 3 and
- 4 (iii) retail sales outlets;

5 (5) expand the Agricultural Resource Manage-
6 ment Survey of the Department to include questions
7 on locally or regionally produced agricultural food
8 products; and

9 (6) seek to establish or expand private-public
10 partnerships to facilitate, to the maximum extent
11 practicable, the collection of data on locally or re-
12 regionally produced agricultural food products, includ-
13 ing the development of a nationally coordinated and
14 regionally balanced evaluation of the redevelopment
15 of locally or regionally produced food systems.

16 (c) REPORT.—Not later than 1 year after the date
17 of enactment of this Act and annually thereafter, the Sec-
18 retary shall submit to the Committee on Agriculture of
19 the House of Representatives and the Committee on Agri-
20 culture, Nutrition, and Forestry of the Senate a report
21 describing the progress that has been made in imple-
22 menting this section and identifying any additional needs
23 and barriers related to developing local and regional food
24 systems.

1 **SEC. 10017. CLARIFICATION OF USE OF FUNDS FOR TECH-**
2 **NICAL ASSISTANCE.**

3 In the case of each program established or amended
4 by this title that is authorized or required to be carried
5 out using funds of the Commodity Credit Corporation, the
6 use of those funds to provide technical assistance shall not
7 be considered an allotment or fund transfer from the Com-
8 modity Credit Corporation for purposes of the limit on ex-
9 penditures for technical assistance imposed by section 11
10 of the Commodity Credit Corporation Charter Act (15
11 U.S.C. 714i).

12 **TITLE XI—CROP INSURANCE**

13 **SEC. 11001. INFORMATION SHARING.**

14 Section 502(c) of the Federal Crop Insurance Act (7
15 U.S.C. 1502(c)) is amended by adding at the end the fol-
16 lowing:

17 “(4) INFORMATION.—

18 “(A) REQUEST.—Subject to subparagraph
19 (B), the Farm Service Agency shall, in a timely
20 manner, provide to an agent or an approved in-
21 surance provider authorized by the producer
22 any information (including Farm Service Agen-
23 cy Form 578s (or any successor form)) or maps
24 (or any corrections to those forms or maps)
25 that may assist the agent or approved insurance

1 provider in insuring the producer under a policy
2 or plan of insurance under this subtitle.

3 “(B) PRIVACY.—Except as provided in
4 subparagraph (C), an agent or approved insur-
5 ance provider that receives the information of a
6 producer pursuant to subparagraph (A) shall
7 treat the information in accordance with para-
8 graph (1).

9 “(C) SHARING.—Nothing in this section
10 prohibits the sharing of the information of a
11 producer pursuant to subparagraph (A) be-
12 tween the agent and the approved insurance
13 provider of the producer.”.

14 **SEC. 11002. PUBLICATION OF INFORMATION ON VIOLA-**
15 **TIONS OF PROHIBITION ON PREMIUM AD-**
16 **JUSTMENTS.**

17 Section 508(a)(9) of the Federal Crop Insurance Act
18 (7 U.S.C. 1508(a)(9)) is amended by adding at the end
19 the following:

20 “(C) PUBLICATION OF VIOLATIONS.—

21 “(i) PUBLICATION REQUIRED.—Sub-
22 ject to clause (ii), the Corporation shall
23 publish in a timely manner on the website
24 of the Risk Management Agency informa-
25 tion regarding each violation of this para-

1 graph, including any sanctions imposed in
2 response to the violation, in sufficient de-
3 tail so that the information may serve as
4 effective guidance to approved insurance
5 providers, agents, and producers.

6 “(ii) PROTECTION OF PRIVACY.—In
7 providing information under clause (i) re-
8 garding violations of this paragraph, the
9 Corporation shall redact the identity of the
10 persons and entities committing the viola-
11 tions in order to protect the privacy of
12 those persons and entities.”.

13 **SEC. 11003. SUPPLEMENTAL COVERAGE OPTION.**

14 (a) AVAILABILITY OF SUPPLEMENTAL COVERAGE
15 OPTION.—Section 508(c) of the Federal Crop Insurance
16 Act (7 U.S.C. 1508(c)) is amended by striking paragraph
17 (3) and inserting the following:

18 “(3) YIELD AND LOSS BASIS OPTIONS.—A pro-
19 ducer shall have the option of purchasing additional
20 coverage based on—

21 “(A)(i) an individual yield and loss basis;

22 or

23 “(ii) an area yield and loss basis; or

24 “(B) an individual yield and loss basis,
25 supplemented with coverage based on an area

1 yield and loss basis to cover a part of the de-
2 ductible under the individual yield and loss pol-
3 icy, as described in paragraph (4)(C).”.

4 (b) LEVEL OF COVERAGE.—Section 508(c) of the
5 Federal Crop Insurance Act (7 U.S.C. 1508(c)) is amend-
6 ed by striking paragraph (4) and inserting the following:

7 “(4) LEVEL OF COVERAGE.—

8 “(A) DOLLAR DENOMINATION AND PER-
9 CENTAGE OF YIELD.—Except as provided in
10 subparagraph (C), the level of coverage—

11 “(i) shall be dollar denominated; and

12 “(ii) may be purchased at any level
13 not to exceed 85 percent of the individual
14 yield or 95 percent of the area yield (as de-
15 termined by the Corporation).

16 “(B) INFORMATION.—The Corporation
17 shall provide producers with information on cat-
18 astrophic risk and additional coverage in terms
19 of dollar coverage (within the allowable limits of
20 coverage provided in this paragraph).

21 “(C) SUPPLEMENTAL COVERAGE OP-
22 TION.—

23 “(i) IN GENERAL.—Notwithstanding
24 subparagraph (A), in the case of the sup-
25 plemental coverage option described in

1 paragraph (3)(B), the Corporation shall
2 offer producers the opportunity to pur-
3 chase coverage in combination with a pol-
4 icy or plan of insurance offered under this
5 subtitle that would allow indemnities to be
6 paid to a producer equal to a part of the
7 deductible under the policy or plan of in-
8 surance—

9 “(I) at a county-wide level to the
10 fullest extent practicable; or

11 “(II) in counties that lack suffi-
12 cient data, on the basis of such larger
13 geographical area as the Corporation
14 determines to provide sufficient data
15 for purposes of providing the cov-
16 erage.

17 “(ii) TRIGGER.—Coverage offered
18 under paragraph (3)(B) and clause (i)
19 shall be triggered only if the losses in the
20 area exceed 14 percent of normal levels (as
21 determined by the Corporation).

22 “(iii) COVERAGE.—Subject to the trig-
23 ger described in clause (ii), coverage of-
24 fered under paragraph (3)(B) and clause

1 (i) shall not exceed the difference be-
2 tween—

3 “(I) 86 percent; and

4 “(II) the coverage level selected
5 by the producer for the underlying
6 policy or plan of insurance.

7 “(iv) INELIGIBLE CROPS AND
8 ACRES.—Crops for which the producer has
9 elected under section 1116 of the Agricul-
10 tural Act of 2014 to receive agriculture
11 risk coverage and acres that are enrolled in
12 the stacked income protection plan under
13 section 508B shall not be eligible for sup-
14 plemental coverage under this subpara-
15 graph.

16 “(v) CALCULATION OF PREMIUM.—
17 Notwithstanding subsection (d), the pre-
18 mium for coverage offered under para-
19 graph (3)(B) and clause (i) shall—

20 “(I) be sufficient to cover antici-
21 pated losses and a reasonable reserve;
22 and

23 “(II) include an amount for oper-
24 ating and administrative expenses es-

1 tablished in accordance with sub-
2 section (k)(4)(F).”.

3 (c) PAYMENT OF PORTION OF PREMIUM BY COR-
4 PORATION.—Section 508(e)(2) of the Federal Crop Insur-
5 ance Act (7 U.S.C. 1508(e)(2)) is amended by adding at
6 the end the following:

7 “(H) In the case of the supplemental cov-
8 erage option authorized in subsection (c)(4)(C),
9 the amount shall be equal to the sum of—

10 “(i) 65 percent of the additional pre-
11 mium associated with the coverage; and

12 “(ii) the amount determined under
13 subsection (c)(4)(C)(v)(II), subject to sub-
14 section (k)(4)(F), for the coverage to cover
15 operating and administrative expenses.”.

16 (d) APPLICATION DATE.—The Federal Crop Insur-
17 ance Corporation shall begin to provide additional cov-
18 erage based on an individual yield and loss basis, supple-
19 mented with coverage based on an area yield and loss
20 basis, as described in the amendments made by this sec-
21 tion, not later than for the 2015 crop year.

22 **SEC. 11004. CROP MARGIN COVERAGE OPTION.**

23 Section 508(c)(3) of the Federal Crop Insurance Act
24 (7 U.S.C. 1508(c)(3)) (as amended by section 11003) is
25 amended—

1 (1) in subparagraph (A)(ii), by striking “or” at
2 the end;

3 (2) in subparagraph (B), by striking the period
4 at the end and inserting “; or”; and

5 (3) by adding at the end the following:

6 “(C) a margin basis alone or in combina-
7 tion with the coverages available under subpara-
8 graph (A) or (B).”.

9 **SEC. 11005. PREMIUM AMOUNTS FOR CATASTROPHIC RISK**
10 **PROTECTION.**

11 Section 508(d)(2) of the Federal Crop Insurance Act
12 (7 U.S.C. 1508(d)(2)) is amended by striking subpara-
13 graph (A) and inserting the following:

14 “(A) In the case of catastrophic risk pro-
15 tection, the amount of the premium established
16 by the Corporation for each crop for which cat-
17 astrophic risk protection is available shall be re-
18 duced by the percentage equal to the difference
19 between the average loss ratio for the crop and
20 100 percent, plus a reasonable reserve, as de-
21 termined by the Corporation.”.

22 **SEC. 11006. PERMANENT ENTERPRISE UNIT SUBSIDY.**

23 Section 508(e)(5) of the Federal Crop Insurance Act
24 (7 U.S.C. 1508(e)(5)) is amended by striking subpara-
25 graph (A) and inserting the following:

1 “(A) IN GENERAL.—The Corporation may
2 pay a portion of the premiums for plans or poli-
3 cies of insurance for which the insurable unit is
4 defined on a whole farm or enterprise unit basis
5 that is higher than would otherwise be paid in
6 accordance with paragraph (2).”.

7 **SEC. 11007. ENTERPRISE UNITS FOR IRRIGATED AND NON-**
8 **IRRIGATED CROPS.**

9 Section 508(e)(5) of the Federal Crop Insurance Act
10 (7 U.S.C. 1508(e)(5)) is amended by adding at the end
11 the following:

12 “(D) NONIRRIGATED CROPS.—Beginning
13 with the 2015 crop year, the Corporation shall
14 make available separate enterprise units for ir-
15 rigated and nonirrigated acreage of crops in
16 counties.”.

17 **SEC. 11008. DATA COLLECTION.**

18 Section 508(g)(2) of the Federal Crop Insurance Act
19 (7 U.S.C. 1508(g)(2)) is amended by adding at the end
20 the following:

21 “(E) SOURCES OF YIELD DATA.—To deter-
22 mine yields under this paragraph, the Corpora-
23 tion—

24 “(i) shall use county data collected by
25 the Risk Management Agency, the Na-

1 tional Agricultural Statistics Service, or
2 both; or

3 “(ii) if sufficient county data is not
4 available, may use other data considered
5 appropriate by the Secretary.”.

6 **SEC. 11009. ADJUSTMENT IN ACTUAL PRODUCTION HIS-**
7 **TORY TO ESTABLISH INSURABLE YIELDS.**

8 Section 508(g) of the Federal Crop Insurance Act (7
9 U.S.C. 1508(g)) (as amended by section 11008) is amend-
10 ed—

11 (1) in paragraph (2)(A), by inserting “and
12 paragraph (4)(C)” after “(B)”; and

13 (2) in paragraph (4)—

14 (A) by redesignating subparagraph (C) as
15 subparagraph (D);

16 (B) in subparagraph (D) (as so redesign-
17 ated), by inserting “or (C)” after “(B)”; and

18 (C) by inserting after subparagraph (B)
19 the following:

20 “(C) ELECTION TO EXCLUDE CERTAIN
21 HISTORY.—

22 “(i) IN GENERAL.—Notwithstanding
23 paragraph (2), with respect to 1 or more
24 of the crop years used to establish the ac-
25 tual production history of an agricultural

1 commodity of the producer, the producer
2 may elect to exclude any recorded or ap-
3 praised yield for any crop year in which
4 the per planted acre yield of the agricul-
5 tural commodity in the county of the pro-
6 ducer was at least 50 percent below the
7 simple average of the per planted acre
8 yield of the agricultural commodity in the
9 county during the previous 10 consecutive
10 crop years.

11 “(ii) CONTIGUOUS COUNTIES.—In any
12 crop year that a producer in a county is el-
13 igible to make an election to exclude a
14 yield under clause (i), a producer in a con-
15 tiguous county is eligible to make such an
16 election.

17 “(iii) IRRIGATION PRACTICE.—For
18 purposes of determining whether the per
19 planted acre yield of the agricultural com-
20 modity in the county of the producer was
21 at least 50 percent below the simple aver-
22 age of the per planted acre yield of the ag-
23 ricultural commodity in the county during
24 the previous 10 consecutive crop years, the
25 Corporation shall make a separate deter-

1 mination for irrigated and nonirrigated
2 acreage.”.

3 **SEC. 11010. SUBMISSION OF POLICIES AND BOARD REVIEW**
4 **AND APPROVAL.**

5 (a) IN GENERAL.—Section 508(h) of the Federal
6 Crop Insurance Act (7 U.S.C. 1508(h)) is amended—

7 (1) in paragraph (1)—

8 (A) by redesignating subparagraphs (A)
9 and (B) as clauses (i) and (ii), respectively, and
10 indenting appropriately;

11 (B) by striking “(1) IN GENERAL.—In ad-
12 dition” and inserting the following:

13 “(1) AUTHORITY TO SUBMIT.—

14 “(A) IN GENERAL.—In addition”; and

15 (C) by adding at the end the following:

16 “(B) REVIEW AND SUBMISSION BY COR-
17 PORATION.—The Corporation shall review any
18 policy developed under section 522(c) or any
19 pilot program developed under section 523 and
20 submit the policy or program to the Board
21 under this subsection if the Corporation, at the
22 sole discretion of the Corporation, finds that
23 the policy or program—

1 “(i) will likely result in a viable and
2 marketable policy consistent with this sub-
3 section;

4 “(ii) would provide crop insurance
5 coverage in a significantly improved form;
6 and

7 “(iii) adequately protects the interests
8 of producers.”; and

9 (2) by striking paragraph (3) and inserting the
10 following:

11 “(3) REVIEW AND APPROVAL BY THE BOARD.—

12 “(A) IN GENERAL.—A policy, plan of in-
13 surance, or other material submitted to the
14 Board under this subsection shall be reviewed
15 by the Board and shall be approved by the
16 Board for reinsurance and for sale by approved
17 insurance providers to producers at actuarially
18 appropriate rates and under appropriate terms
19 and conditions if the Board determines that—

20 “(i) the interests of producers are
21 adequately protected;

22 “(ii) the proposed policy or plan of in-
23 surance will—

1 “(I) provide a new kind of cov-
2 erage that is likely to be viable and
3 marketable;

4 “(II) provide crop insurance cov-
5 erage in a manner that addresses a
6 clear and identifiable flaw or problem
7 in an existing policy; or

8 “(III) provide a new kind of cov-
9 erage for a commodity that previously
10 had no available crop insurance, or
11 has demonstrated a low level of par-
12 ticipation or coverage level under ex-
13 isting coverage; and

14 “(iii) the proposed policy or plan of
15 insurance will not have a significant ad-
16 verse impact on the crop insurance delivery
17 system.

18 “(B) CONSIDERATION.—In approving poli-
19 cies or plans of insurance, the Board shall in a
20 timely manner—

21 “(i) first, consider policies or plans of
22 insurance that address underserved com-
23 modities, including commodities for which
24 there is no insurance;

1 “(ii) second, consider existing policies
2 or plans of insurance for which there is in-
3 adequate coverage or there exists low levels
4 of participation; and

5 “(iii) last, consider all policies or
6 plans of insurance submitted to the Board
7 that do not meet the criteria described in
8 clause (i) or (ii).

9 “(C) SPECIFIED REVIEW AND APPROVAL
10 PRIORITIES.—In reviewing policies and other
11 materials submitted to the Board under this
12 subsection for approval, the Board—

13 “(i) shall make the development and
14 approval of a revenue policy for peanut
15 producers a priority so that a revenue pol-
16 icy is available to peanut producers in time
17 for the 2015 crop year;

18 “(ii) shall make the development and
19 approval of a margin coverage policy for
20 rice producers a priority so that a margin
21 coverage policy is available to rice pro-
22 ducers in time for the 2015 crop year; and

23 “(iii) may approve a submission that
24 is made pursuant to this subsection that
25 would, beginning with the 2015 crop year,

1 allow producers that purchase policies in
2 accordance with subsection (e)(5)(A) to
3 separate enterprise units by risk rating for
4 acreage of crops in counties.”.

5 (b) APPROVAL OF COSTS FOR RESEARCH AND DE-
6 VELOPMENT.—Section 522(b)(2) of the Federal Crop In-
7 surance Act (7 U.S.C. 1522(b)(2)) is amended by striking
8 subparagraph (E) and inserting the following:

9 “(E) APPROVAL.—

10 “(i) IN GENERAL.—The Board may
11 approve up to 50 percent of the projected
12 total research and development costs to be
13 paid in advance to an applicant, in accord-
14 ance with the procedures developed by the
15 Board for the making of the payments, if,
16 after consideration of the reviewer reports
17 described in subparagraph (D) and such
18 other information as the Board determines
19 appropriate, the Board determines that—

20 “(I) the concept, in good faith,
21 will likely result in a viable and mar-
22 ketable policy consistent with section
23 508(h);

24 “(II) at the sole discretion of the
25 Board, the concept, if developed into a

1 policy and approved by the Board,
2 would provide crop insurance cov-
3 erage—

4 “(aa) in a significantly im-
5 proved form;

6 “(bb) to a crop or region not
7 traditionally served by the Fed-
8 eral crop insurance program; or

9 “(cc) in a form that ad-
10 dresses a recognized flaw or
11 problem in the program;

12 “(III) the applicant agrees to
13 provide such reports as the Corpora-
14 tion determines are necessary to mon-
15 itor the development effort;

16 “(IV) the proposed budget and
17 timetable are reasonable, as deter-
18 mined by the Board; and

19 “(V) the concept proposal meets
20 any other requirements that the
21 Board determines appropriate.

22 “(ii) WAIVER.—The Board may waive
23 the 50-percent limitation and, upon re-
24 quest of the submitter after the submitter
25 has begun research and development activi-

1 ties, the Board may approve an additional
2 25 percent advance payment to the sub-
3 mitter for research and development costs,
4 if, at the sole discretion of the Board, the
5 Board determines that—

6 “(I) the intended policy or plan
7 of insurance developed by the sub-
8 mitter will provide coverage for a re-
9 gion or crop that is underserved by
10 the Federal crop insurance program,
11 including specialty crops; and

12 “(II) the submitter is making
13 satisfactory progress towards devel-
14 oping a viable and marketable policy
15 or plan of insurance consistent with
16 section 508(h).”.

17 **SEC. 11011. CONSULTATION.**

18 Section 508(h)(4) of the Federal Crop Insurance Act
19 (7 U.S.C. 1508(h)(4)) is amended by adding at the end
20 the following:

21 “(E) CONSULTATION.—

22 “(i) REQUIREMENT.—As part of the
23 feasibility and research associated with the
24 development of a policy or other material
25 for fruits and vegetables, tree nuts, dried

1 fruits, and horticulture and nursery crops
2 (including floriculture), the submitter prior
3 to making a submission under this sub-
4 section shall consult with groups rep-
5 resenting producers of those agricultural
6 commodities in all major producing areas
7 for the commodities to be served or poten-
8 tially impacted, either directly or indirectly.

9 “(ii) SUBMISSION TO THE BOARD.—
10 Any submission made to the Board under
11 this subsection shall contain a summary
12 and analysis of the feasibility and research
13 findings from the impacted groups de-
14 scribed in clause (i), including a summary
15 assessment of the support for or against
16 development of the policy and an assess-
17 ment on the impact of the proposed policy
18 to the general marketing and production of
19 the crop from both a regional and national
20 perspective.

21 “(iii) EVALUATION BY THE BOARD.—
22 In evaluating whether the interests of pro-
23 ducers are adequately protected pursuant
24 to paragraph (3) with respect to a submis-
25 sion made under this subsection, the Board

1 shall review the information provided pur-
2 suant to clause (ii) to determine if the sub-
3 mission will create adverse market distor-
4 tions with respect to the production of
5 commodities that are the subject of the
6 submission.”.

7 **SEC. 11012. BUDGET LIMITATIONS ON RENEGOTIATION OF**
8 **THE STANDARD REINSURANCE AGREEMENT.**

9 Section 508(k)(8) of the Federal Crop Insurance Act
10 (7 U.S.C. 1508(k)(8)) is amended by adding at the end
11 the following:

12 “(F) BUDGET.—

13 “(i) IN GENERAL.—The Board shall
14 ensure that any Standard Reinsurance
15 Agreement negotiated under subparagraph
16 (A)(ii) shall—

17 “(I) to the maximum extent prac-
18 ticable, be estimated as budget neu-
19 tral with respect to the total amount
20 of payments described in paragraph
21 (9) as compared to the total amount
22 of such payments estimated to be
23 made under the immediately pre-
24 ceding Standard Reinsurance Agree-

1 ment if that Agreement were extended
2 over the same period of time;

3 “(II) comply with the applicable
4 provisions of this Act establishing the
5 rates of reimbursement for adminis-
6 trative and operating costs for ap-
7 proved insurance providers and
8 agents, except that, to the maximum
9 extent practicable, the estimated total
10 amount of reimbursement for those
11 costs shall not be less than the total
12 amount of the payments to be made
13 under the immediately preceding
14 Standard Reinsurance Agreement if
15 that Agreement were extended over
16 the same period of time, as estimated
17 on the date of enactment of the Agri-
18 cultural Act of 2014; and

19 “(III) in no event significantly
20 depart from budget neutrality unless
21 otherwise required by this Act.

22 “(ii) USE OF SAVINGS.—To the extent
23 that any budget savings are realized in the
24 renegotiation of a Standard Reinsurance
25 Agreement under subparagraph (A)(ii),

1 and the savings are determined not to be
2 a significant departure from budget neu-
3 trality under clause (i), the savings shall
4 be used to increase reimbursements or pay-
5 ments described under paragraphs (4) and
6 (9).”.

7 **SEC. 11013. TEST WEIGHT FOR CORN.**

8 Section 508(m) of the Federal Crop Insurance Act
9 (7 U.S.C. 1508(m)) is amended by adding at the end the
10 following:

11 “(6) TEST WEIGHT FOR CORN.—

12 “(A) IN GENERAL.—The Corporation shall
13 establish procedures to allow insured producers
14 not more than 120 days to settle claims, in ac-
15 cordance with procedures established by the
16 Secretary, involving corn that is determined to
17 have low test weight.

18 “(B) IMPLEMENTATION.—As soon as prac-
19 ticable after the date of enactment of this para-
20 graph, the Corporation shall implement sub-
21 paragraph (A) on a regional basis based on
22 market conditions and the interests of pro-
23 ducers.

24 “(C) TERMINATION OF EFFECTIVENESS.—
25 The authority provided by this paragraph ter-

1 minates effective on the date that is 5 years
2 after the date on which subparagraph (A) is im-
3 plemented.”.

4 **SEC. 11014. CROP PRODUCTION ON NATIVE SOD.**

5 (a) FEDERAL CROP INSURANCE.—Section 508(o) of
6 the Federal Crop Insurance Act (7 U.S.C. 1508(o)) is
7 amended—

8 (1) in paragraph (1)(B), by inserting “, or the
9 producer cannot substantiate that the ground has
10 ever been tilled,” after “tilled”;

11 (2) in paragraph (2)—

12 (A) in the paragraph heading, by striking
13 “INELIGIBILITY FOR” and inserting “REDUC-
14 TION IN”;

15 (B) by striking subparagraph (A) and in-
16 serting the following:

17 “(A) IN GENERAL.—During the first 4
18 crop years of planting, as determined by the
19 Secretary, native sod acreage that has been
20 tilled for the production of an annual crop after
21 the date of enactment of the Agricultural Act of
22 2014 shall be subject to a reduction in benefits
23 under this subtitle as described in this para-
24 graph.”; and

25 (C) by adding at the end the following:

1 “(C) ADMINISTRATION.—

2 “(i) REDUCTION.—For purposes of
3 the reduction in benefits for the acreage
4 described in subparagraph (A)—

5 “(I) the crop insurance guarantee
6 shall be determined by using a yield
7 equal to 65 percent of the transitional
8 yield of the producer; and

9 “(II) the crop insurance premium
10 subsidy provided for the producer
11 under this subtitle, except for cov-
12 erage authorized pursuant to sub-
13 section (b)(1), shall be 50 percentage
14 points less than the premium subsidy
15 that would otherwise apply.

16 “(ii) YIELD SUBSTITUTION.—During
17 the period native sod acreage is covered by
18 this subsection, a producer may not sub-
19 stitute yields for the native sod.”;

20 (3) by striking paragraph (3) and inserting the
21 following:

22 “(3) APPLICATION.—This subsection shall only
23 apply to native sod acreage in the States of Min-
24 nesota, Iowa, North Dakota, South Dakota, Mon-
25 tana, and Nebraska.”.

1 (b) NONINSURED CROP DISASTER ASSISTANCE.—
2 Section 196(a)(4) of the Federal Agriculture Improvement
3 and Reform Act of 1996 (7 U.S.C. 7333(a)(4)) is amend-
4 ed—

5 (1) in the paragraph heading, by striking “IN-
6 ELIGIBILITY” and inserting “REDUCTION IN BENE-
7 FITS”;

8 (2) in subparagraph (A)(ii), by inserting “, or
9 the producer cannot substantiate that the ground
10 has ever been tilled,” after “tilled”;

11 (3) in subparagraph (B)—

12 (A) in the subparagraph heading, by strik-
13 ing “INELIGIBILITY FOR” and inserting “RE-
14 DUCTION IN”;

15 (B) by striking clause (i) and inserting the
16 following:

17 “(i) IN GENERAL.—During the first 4
18 crop years of planting, as determined by
19 the Secretary, native sod acreage that has
20 been tilled for the production of an annual
21 crop after the date of enactment of the Ag-
22 ricultural Act of 2014 shall be subject to
23 a reduction in benefits under this section
24 as described in this subparagraph.”; and

25 (C) by adding at the end the following:

1 “(iii) REDUCTION.—For purposes of
2 the reduction in benefits for the acreage
3 described in clause (i)—

4 “(I) the approved yield shall be
5 determined by using a yield equal to
6 65 percent of the transitional yield of
7 the producer; and

8 “(II) the service fees or pre-
9 miums for crops planted on native sod
10 shall be equal to 200 percent of the
11 amount determined in subsections
12 (l)(2) or (k), as applicable, but in no
13 case shall exceed the amount deter-
14 mined in subsection (l)(2)(B)(ii).”;
15 and

16 (4) by striking subparagraph (C) and inserting
17 the following:

18 “(C) APPLICATION.—This paragraph shall
19 only apply to native sod acreage in the States
20 of Minnesota, Iowa, North Dakota, South Da-
21 kota, Montana, and Nebraska.”.

22 (c) CROPLAND REPORT.—

23 (1) BASELINE.—Not later than 180 days after
24 the date of enactment of this Act, the Secretary
25 shall submit to the Committee on Agriculture of the

1 House of Representatives and the Committee on Ag-
2 riculture, Nutrition, and Forestry of the Senate a
3 report that describes the cropland acreage in each
4 applicable county and State, and the change in crop-
5 land acreage from the preceding year in each appli-
6 cable county and State, beginning with calendar year
7 2000 and including that information for the most
8 recent year for which that information is available.

9 (2) ANNUAL UPDATES.—Not later than Janu-
10 ary 1, 2015, and each January 1 thereafter through
11 January 1, 2018, the Secretary shall submit to the
12 Committee on Agriculture of the House of Rep-
13 resentatives and the Committee on Agriculture, Nu-
14 trition, and Forestry of the Senate a report that de-
15 scribes—

16 (A) the cropland acreage in each applicable
17 county and State as of the date of submission
18 of the report; and

19 (B) the change in cropland acreage from
20 the preceding year in each applicable county
21 and State.

22 **SEC. 11015. COVERAGE LEVELS BY PRACTICE.**

23 Section 508 of the Federal Crop Insurance Act (7
24 U.S.C. 1508) is amended by adding at the end the fol-
25 lowing:

1 “(p) COVERAGE LEVELS BY PRACTICE.—Beginning
2 with the 2015 crop year, a producer that produces an agri-
3 cultural commodity on both dry land and irrigated land
4 may elect a different coverage level for each production
5 practice.”.

6 **SEC. 11016. BEGINNING FARMER AND RANCHER PROVI-**
7 **SIONS.**

8 (a) DEFINITION.—Section 502(b) of the Federal
9 Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

10 (1) by redesignating paragraphs (3) through
11 (9) as paragraphs (4) through (10), respectively;
12 and

13 (2) by inserting after paragraph (2) the fol-
14 lowing:

15 “(3) BEGINNING FARMER OR RANCHER.—The
16 term ‘beginning farmer or rancher’ means a farmer
17 or rancher who has not actively operated and man-
18 aged a farm or ranch with a bona fide insurable in-
19 terest in a crop or livestock as an owner-operator,
20 landlord, tenant, or sharecropper for more than 5
21 crop years, as determined by the Secretary.”.

22 (b) PREMIUM ADJUSTMENTS.—Section 508 of the
23 Federal Crop Insurance Act (7 U.S.C. 1508) is amend-
24 ed—

1 (1) in subsection (b)(5)(E), by inserting “and
2 beginning farmers or ranchers” after “limited re-
3 source farmers”;

4 (2) in subsection (e), by adding at the end the
5 following:

6 “(8) PREMIUM FOR BEGINNING FARMERS OR
7 RANCHERS.—Notwithstanding any other provision of
8 this subsection regarding payment of a portion of
9 premiums, a beginning farmer or rancher shall re-
10 ceive premium assistance that is 10 percentage
11 points greater than premium assistance that would
12 otherwise be available under paragraphs (2) (except
13 for subparagraph (A) of that paragraph), (5), (6),
14 and (7) for the applicable policy, plan of insurance,
15 and coverage level selected by the beginning farmer
16 or rancher.”; and

17 (3) in subsection (g)—

18 (A) in paragraph (2)(B)—

19 (i) in clause (i), by striking “or” at
20 the end;

21 (ii) in clause (ii)(III), by striking the
22 period at the end and inserting “; or”; and

23 (iii) by adding at the end the fol-
24 lowing:

1 “(iii) if the producer is a beginning
2 farmer or rancher who was previously in-
3 volved in a farming or ranching operation,
4 including involvement in the decision-
5 making or physical involvement in the pro-
6 duction of the crop or livestock on the
7 farm, for any acreage obtained by the be-
8 ginning farmer or rancher, a yield that is
9 the higher of—

10 “(I) the actual production history
11 of the previous producer of the crop
12 or livestock on the acreage determined
13 under subparagraph (A); or

14 “(II) a yield of the producer, as
15 determined in clause (i).”; and

16 (B) in paragraph (4)(B)(ii)—

17 (i) by inserting “(I)” after “(ii)”;

18 (ii) by striking the period at the end
19 and inserting “; or”; and

20 (iii) by adding at the end the fol-
21 lowing:

22 “(II) in the case of beginning farmers
23 or ranchers, replace each excluded yield
24 with a yield equal to 80 percent of the ap-
25 plicable transitional yield.”.

1 **SEC. 11017. STACKED INCOME PROTECTION PLAN FOR PRO-**
2 **DUCCERS OF UPLAND COTTON.**

3 (a) AVAILABILITY OF STACKED INCOME PROTECTION
4 PLAN FOR PRODUCERS OF UPLAND COTTON.—The Fed-
5 eral Crop Insurance Act is amended by inserting after sec-
6 tion 508A (7 U.S.C. 1508a) the following:

7 **“SEC. 508B. STACKED INCOME PROTECTION PLAN FOR**
8 **PRODUCERS OF UPLAND COTTON.**

9 “(a) AVAILABILITY.—Beginning not later than the
10 2015 crop of upland cotton, the Corporation shall make
11 available to producers of upland cotton an additional pol-
12 icy (to be known as the ‘Stacked Income Protection Plan’),
13 which shall provide coverage consistent with the Group
14 Risk Income Protection Plan (and the associated Harvest
15 Revenue Option Endorsement) offered by the Corporation
16 for the 2011 crop year.

17 “(b) REQUIRED TERMS.—The Corporation may mod-
18 ify the Stacked Income Protection Plan on a program-wide
19 basis, except that the Stacked Income Protection Plan
20 shall comply with the following requirements:

21 “(1) Provide coverage for revenue loss of not
22 less than 10 percent and not more than 30 percent
23 of expected county revenue, specified in increments
24 of 5 percent. The deductible shall be the minimum
25 percent of revenue loss at which indemnities are

1 triggered under the plan, not to be less than 10 per-
2 cent of the expected county revenue.

3 “(2) Be offered to producers of upland cotton
4 in all counties with upland cotton production—

5 “(A) at a county-wide level to the fullest
6 extent practicable; or

7 “(B) in counties that lack sufficient data,
8 on the basis of such larger geographical area as
9 the Corporation determines to provide sufficient
10 data for purposes of providing the coverage.

11 “(3) Be purchased in addition to any other in-
12 dividual or area coverage in effect on the producer’s
13 acreage or as a stand-alone policy, except that if a
14 producer has an individual or area coverage for the
15 same acreage, the maximum coverage available
16 under the Stacked Income Protection Plan shall not
17 exceed the deductible for the individual or area cov-
18 erage.

19 “(4) Establish coverage based on—

20 “(A) the expected price established under
21 existing Group Risk Income Protection or area
22 wide policy offered by the Corporation for the
23 applicable county (or area) and crop year; and

24 “(B) an expected county yield that is the
25 higher of—

1 “(i) the expected county yield estab-
2 lished for the existing area-wide plans of-
3 fered by the Corporation for the applicable
4 county (or area) and crop year (or, in geo-
5 graphic areas where area-wide plans are
6 not offered, an expected yield determined
7 in a manner consistent with those of area-
8 wide plans); or

9 “(ii) the average of the applicable
10 yield data for the county (or area) for the
11 most recent 5 years, excluding the highest
12 and lowest observations, from the Risk
13 Management Agency or the National Agri-
14 cultural Statistics Service (or both) or, if
15 sufficient county data is not available, such
16 other data considered appropriate by the
17 Secretary.

18 “(5) Use a multiplier factor to establish max-
19 imum protection per acre (referred to as a ‘protec-
20 tion factor’) of not less than the higher of the level
21 established on a program wide basis or 120 percent.

22 “(6) Pay an indemnity based on the amount
23 that the expected county revenue exceeds the actual
24 county revenue, as applied to the individual coverage
25 of the producer. Indemnities under the Stacked In-

1 come Protection Plan shall not include or overlap
2 the amount of the deductible selected under para-
3 graph (1).

4 “(7) In all counties for which data are avail-
5 able, establish separate coverage levels for irrigated
6 and nonirrigated practices.

7 “(c) PREMIUM.—Notwithstanding section 508(d), the
8 premium for the Stacked Income Protection Plan shall—

9 “(1) be sufficient to cover anticipated losses
10 and a reasonable reserve; and

11 “(2) include an amount for operating and ad-
12 ministrative expenses established in accordance with
13 section 508(k)(4)(F).

14 “(d) PAYMENT OF PORTION OF PREMIUM BY COR-
15 PORATION.—Subject to section 508(e)(4), the amount of
16 premium paid by the Corporation for all qualifying cov-
17 erage levels of the Stacked Income Protection Plan shall
18 be—

19 “(1) 80 percent of the amount of the premium
20 established under subsection (c) for the coverage
21 level selected; and

22 “(2) the amount determined under subsection
23 (c)(2), subject to section 508(k)(4)(F), for the cov-
24 erage to cover administrative and operating ex-
25 penses.

1 “(e) RELATION TO OTHER COVERAGES.—The
2 Stacked Income Protection Plan is in addition to all other
3 coverages available to producers of upland cotton.”.

4 (b) CONFORMING AMENDMENT.—Section
5 508(k)(4)(F) of the Federal Crop Insurance Act (7 U.S.C.
6 1508(k)(4)(F)) is amended by inserting “or authorized
7 under subsection (c)(4)(C) or section 508B” after “of this
8 subparagraph”.

9 **SEC. 11018. PEANUT REVENUE CROP INSURANCE.**

10 The Federal Crop Insurance Act is amended by in-
11 serting after section 508B (as added by section 11017),
12 the following:

13 **“SEC. 508C. PEANUT REVENUE CROP INSURANCE.**

14 “(a) IN GENERAL.—Effective beginning with the
15 2015 crop year, the Risk Management Agency and the
16 Corporation shall make available to producers of peanuts
17 a revenue crop insurance program for peanuts.

18 “(b) EFFECTIVE PRICE.—Subject to subsection (c),
19 for purposes of the revenue crop insurance program and
20 the multiperil crop insurance program under this Act, the
21 effective price for peanuts shall be equal to the Rotterdam
22 price index for peanuts or other appropriate price as deter-
23 mined by the Secretary, as adjusted to reflect the farmer
24 stock price of peanuts in the United States.

25 “(c) ADJUSTMENTS.—

1 “(1) IN GENERAL.—The effective price for pea-
2 nuts established under subsection (b) may be ad-
3 justed by the Risk Management Agency and the
4 Corporation to correct distortions.

5 “(2) ADMINISTRATION.—If an adjustment is
6 made under paragraph (1), the Risk Management
7 Agency and the Corporation shall—

8 “(A) make the adjustment in an open and
9 transparent manner; and

10 “(B) submit to the Committee on Agri-
11 culture of the House of Representatives and the
12 Committee on Agriculture, Nutrition, and For-
13 estry of the Senate a report that describes the
14 reasons for the adjustment.”.

15 **SEC. 11019. AUTHORITY TO CORRECT ERRORS.**

16 Section 515(c) of the Federal Crop Insurance Act (7
17 U.S.C. 1515(c)) is amended—

18 (1) in the first sentence, by striking “The Sec-
19 retary” and inserting the following:

20 “(1) IN GENERAL.—The Secretary”;

21 (2) in the second sentence, by striking “Begin-
22 ning with” and inserting the following:

23 “(2) FREQUENCY.—Beginning with”; and

24 (3) by adding at the end the following:

25 “(3) CORRECTIONS.—

1 “(A) IN GENERAL.—In addition to the cor-
2 rections permitted by the Corporation as of the
3 day before the date of enactment of the Agricul-
4 tural Act of 2014, the Corporation shall estab-
5 lish procedures that allow an agent or an ap-
6 proved insurance provider, subject to subpara-
7 graph (B)—

8 “(i) within a reasonable amount of
9 time following the applicable sales closing
10 date, to correct errors in information that
11 is provided by a producer for the purpose
12 of obtaining coverage under any policy or
13 plan of insurance made available under
14 this subtitle to ensure that the eligibility
15 information is correct and consistent with
16 information reported by the producer for
17 other programs administered by the Sec-
18 retary;

19 “(ii) within a reasonable amount of
20 time following—

21 “(I) the acreage reporting date,
22 to reconcile errors in the information
23 reported by the producer with correct
24 information determined from any

1 other program administered by the
2 Secretary; or

3 “(II) the date of any subsequent
4 correction of data by the Farm Serv-
5 ice Agency made as a result of the
6 verification of information, to make
7 conforming corrections; and

8 “(iii) at any time, to correct electronic
9 transmission errors that were made by an
10 agent or approved insurance provider, or
11 such errors made by the Farm Service
12 Agency or any other agency of the Depart-
13 ment of Agriculture in transmitting the in-
14 formation provided by the producer for
15 purposes of other programs of the Depart-
16 ment to the extent an agent or approved
17 insurance provider relied upon the erro-
18 neous information for crop insurance pur-
19 poses.

20 “(B) LIMITATION.—In accordance with the
21 procedures of the Corporation, correction to the
22 information described in clauses (i) and (ii) of
23 subparagraph (A) may only be made if the cor-
24 rections do not allow the producer—

1 “(i) to avoid ineligibility requirements
2 for insurance or obtain a disproportionate
3 benefit under the crop insurance program
4 or any related program administered by
5 the Secretary;

6 “(ii) to obtain, enhance, or increase
7 an insurance guarantee or indemnity if a
8 cause of loss exists or has occurred before
9 any correction has been made, or avoid
10 premium owed if no loss is likely to occur;
11 or

12 “(iii) to avoid an obligation or re-
13 quirement under any Federal or State law.

14 “(C) EXCEPTION TO LATE FILING SANC-
15 TIONS.—Any corrections made within a reason-
16 able amount of time, in accordance with estab-
17 lished procedures, pursuant to this paragraph
18 shall not be subject to any late filing sanctions
19 authorized in the reinsurance agreement with
20 the Corporation.

21 “(D) LATE PAYMENT OF DEBT.—In the
22 case of a producer that has inadvertently failed
23 to pay a debt due as specified by regulations of
24 the Corporation and has been determined to be
25 ineligible for crop insurance pursuant to the

1 terms of the policy as a result of that failure,
2 the Corporation may determine to allow the
3 producer to pay the debt and purchase the crop
4 insurance after the sales closing date, in accord-
5 ance with procedures and limitations estab-
6 lished by the Corporation.”.

7 **SEC. 11020. IMPLEMENTATION.**

8 Section 515 of the Federal Crop Insurance Act (7
9 U.S.C. 1515) is amended—

10 (1) in subsection (j), by striking paragraph (1)
11 and inserting the following:

12 “(1) SYSTEMS MAINTENANCE AND UP-
13 GRADES.—

14 “(A) IN GENERAL.—The Secretary shall
15 maintain and upgrade the information manage-
16 ment systems of the Corporation used in the
17 administration and enforcement of this subtitle.

18 “(B) REQUIREMENT.—

19 “(i) IN GENERAL.—In maintaining
20 and upgrading the systems, the Secretary
21 shall ensure that new hardware and soft-
22 ware are compatible with the hardware and
23 software used by other agencies of the De-
24 partment to maximize data sharing and
25 promote the purposes of this section.

1 “(ii) ACREAGE REPORT STREAM-
2 LINING INITIATIVE PROJECT.—As soon as
3 practicable, the Secretary shall develop and
4 implement an acreage report streamlining
5 initiative project to allow producers to re-
6 port acreage and other information directly
7 to the Department.”; and

8 (2) in subsection (k), by striking paragraph (1)
9 and inserting the following:

10 “(1) INFORMATION TECHNOLOGY.—

11 “(A) IN GENERAL.—For purposes of sub-
12 section (j)(1), the Corporation may use, from
13 amounts made available from the insurance
14 fund established under section 516(c), not more
15 than—

16 “(i)(I) for fiscal year 2014,
17 \$14,000,000; and

18 “(II) for each of fiscal years 2015
19 through 2018, \$9,000,000; or

20 “(ii) if the Acreage Crop Reporting
21 Streamlining Initiative (ACRSI) project is
22 substantially completed by September 30,
23 2015, not more than \$14,000,000 for each
24 of the fiscal years 2015 through 2018.

1 “(B) NOTIFICATION.—The Secretary shall
2 notify the Committee on Agriculture of the
3 House of Representatives and the Committee
4 on Agriculture, Nutrition, and Forestry of the
5 Senate of the substantial completion of the
6 Acreage Crop Reporting Streamlining Initiative
7 (ACRSI) project not later than July 1, 2015.”.

8 **SEC. 11021. CROP INSURANCE FRAUD.**

9 Section 516(b)(2) of the Federal Crop Insurance Act
10 (7 U.S.C. 1516(b)(2)) is amended by adding at the end
11 the following:

12 “(C) REVIEWS, COMPLIANCE, AND INTEG-
13 RITY.—

14 “(i) IN GENERAL.—For each of the
15 2014 and subsequent reinsurance years,
16 the Corporation may use the insurance
17 fund established under subsection (c), but
18 not to exceed \$9,000,000 for each fiscal
19 year, to pay costs—

20 “(I) to reimburse expenses in-
21 curred for the operations and review
22 of policies, plans of insurance, and re-
23 lated materials (including actuarial
24 and related information); and

1 “(II) to assist the Corporation in
2 maintaining program actuarial sound-
3 ness and financial integrity.

4 “(ii) SECRETARIAL ACTION.—For the
5 purposes described in clause (i), the Sec-
6 retary may, without further appropria-
7 tion—

8 “(I) merge some or all of the
9 funds made available under this sub-
10 paragraph into the accounts of the
11 Risk Management Agency; and

12 “(II) obligate those funds.

13 “(iii) MAINTENANCE OF FUNDING.—
14 Funds made available under this subpara-
15 graph shall be in addition to other funds
16 made available for costs incurred by the
17 Corporation or the Risk Management
18 Agency.”.

19 **SEC. 11022. RESEARCH AND DEVELOPMENT PRIORITIES.**

20 (a) AUTHORITY TO CONDUCT RESEARCH AND DE-
21 VELOPMENT, PRIORITIES.—Section 522(c) of the Federal
22 Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

23 (1) in the subsection heading, by striking
24 “CONTRACTING”;

1 (2) in paragraph (1), in the matter preceding
2 subparagraph (A), by striking “may enter into con-
3 tracts to carry out research and development to”
4 and inserting “may conduct activities or enter into
5 contracts to carry out research and development to
6 maintain or improve existing policies or develop new
7 policies to”;

8 (3) in paragraph (2)—

9 (A) in subparagraph (A), by inserting
10 “conduct research and development or” after
11 “The Corporation may”; and

12 (B) in subparagraph (B), by inserting
13 “conducting research and development or” after
14 “Before”;

15 (4) in paragraph (5), by inserting “after expert
16 review in accordance with section 505(e)” after “ap-
17 proved by the Board”;

18 (5) in paragraph (6), by striking “a pasture,
19 range, and forage program” and inserting “policies
20 that increase participation by producers of under-
21 served agricultural commodities, including sweet sor-
22 ghum, biomass sorghum, rice, peanuts, sugarcane,
23 alfalfa, pennycress, dedicated energy crops, and spe-
24 cialty crops”;

1 (6) by redesignating paragraph (17) as para-
2 graph (25); and

3 (7) by inserting after paragraph (16), the fol-
4 lowing:

5 “(17) MARGIN COVERAGE FOR CATFISH.—

6 “(A) IN GENERAL.—The Corporation shall
7 offer to enter into a contract with a qualified
8 entity to conduct research and development re-
9 garding a policy to insure producers against re-
10 duction in the margin between the market value
11 of catfish and selected costs incurred in the
12 production of catfish.

13 “(B) ELIGIBILITY.—Eligibility for the pol-
14 icy described in subparagraph (A) shall be lim-
15 ited to freshwater species of catfish that are
16 propagated and reared in controlled or selected
17 environments.

18 “(C) IMPLEMENTATION.—The Board shall
19 review the policy described in subparagraph (B)
20 under section 508(h) and approve the policy if
21 the Board finds that the policy—

22 “(i) will likely result in a viable and
23 marketable policy consistent with this sub-
24 section;

1 “(ii) would provide crop insurance
2 coverage in a significantly improved form;
3 “(iii) adequately protects the interests
4 of producers; and
5 “(iv) meets other requirements of this
6 subtitle determined appropriate by the
7 Board.

8 “(18) BIOMASS AND SWEET SORGHUM ENERGY
9 CROP INSURANCE POLICIES.—

10 “(A) IN GENERAL.—The Corporation shall
11 offer to enter into 1 or more contracts with
12 qualified entities to carry out research and de-
13 velopment regarding—

14 “(i) a policy to insure biomass sor-
15 ghum that is grown expressly for the pur-
16 pose of producing a feedstock for renew-
17 able biofuel, renewable electricity, or
18 biobased products; and

19 “(ii) a policy to insure sweet sorghum
20 that is grown for a purpose described in
21 clause (i).

22 “(B) RESEARCH AND DEVELOPMENT.—
23 Research and development with respect to each
24 of the policies required in subparagraph (A)
25 shall evaluate the effectiveness of risk manage-

1 ment tools for the production of biomass sor-
2 ghum or sweet sorghum, including policies and
3 plans of insurance that—

4 “(i) are based on market prices and
5 yields;

6 “(ii) to the extent that insufficient
7 data exist to develop a policy based on
8 market prices and yields, evaluate the poli-
9 cies and plans of insurance based on the
10 use of weather indices, including excessive
11 or inadequate rainfall, to protect the inter-
12 est of crop producers; and

13 “(iii) provide protection for production
14 or revenue losses, or both.

15 “(19) STUDY ON SWINE CATASTROPHIC DIS-
16 EASE PROGRAM.—

17 “(A) IN GENERAL.—The Corporation shall
18 contract with 1 or more qualified entities to
19 conduct a study to determine the feasibility of
20 insuring swine producers for a catastrophic
21 event.

22 “(B) REPORT.—Not later than 1 year
23 after the date of the enactment of this para-
24 graph, the Corporation shall submit to the
25 Committee on Agriculture of the House of Rep-

1 representatives and the Committee on Agriculture,
2 Nutrition, and Forestry of the Senate a report
3 that describes the results of the study con-
4 ducted under subparagraph (A).

5 “(20) WHOLE FARM DIVERSIFIED RISK MAN-
6 AGEMENT INSURANCE PLAN.—

7 “(A) IN GENERAL.—Unless the Corpora-
8 tion approves a whole farm insurance plan,
9 similar to the plan described in this paragraph,
10 to be available to producers for the 2016 rein-
11 surance year, the Corporation shall conduct ac-
12 tivities or enter into contracts to carry out re-
13 search and development to develop a whole
14 farm risk management insurance plan, with a
15 liability limitation of \$1,500,000, that allows a
16 diversified crop or livestock producer the option
17 to qualify for an indemnity if actual gross farm
18 revenue is below 85 percent of the average
19 gross farm revenue or the expected gross farm
20 revenue that can reasonably be expected of the
21 producer, as determined by the Corporation.

22 “(B) ELIGIBLE PRODUCERS.—The Cor-
23 poration shall permit producers (including di-
24 rect-to-consumer marketers and producers serv-
25 icing local and regional and farm identity-pre-

1 served markets) who produce multiple agricul-
2 tural commodities, including specialty crops, in-
3 dustrial crops, livestock, and aquaculture prod-
4 ucts, to participate in the plan developed under
5 subparagraph (A) in lieu of any other plan
6 under this subtitle.

7 “(C) DIVERSIFICATION.—The Corporation
8 may provide diversification-based additional
9 coverage payment rates, premium discounts, or
10 other enhanced benefits in recognition of the
11 risk management benefits of crop and livestock
12 diversification strategies for producers that—

13 “(i) grow multiple crops; or

14 “(ii) may have income from the pro-
15 duction of livestock that uses a crop grown
16 on the farm.

17 “(D) MARKET READINESS.—The Corpora-
18 tion may include coverage for the value of any
19 packing, packaging, or any other similar on-
20 farm activity the Corporation determines to be
21 the minimum required in order to remove the
22 commodity from the field.

23 “(21) STUDY ON POULTRY CATASTROPHIC DIS-
24 EASE PROGRAM.—

1 “(A) IN GENERAL.—The Corporation shall
2 contract with a qualified person to conduct a
3 study to determine the feasibility of insuring
4 poultry producers for a catastrophic event.

5 “(B) REPORT.—Not later than 1 year
6 after the date of the enactment of this para-
7 graph, the Corporation shall submit to the
8 Committee on Agriculture of the House of Rep-
9 resentatives and the Committee on Agriculture,
10 Nutrition, and Forestry of the Senate a report
11 that describes the results of the study con-
12 ducted under subparagraph (A).

13 “(22) POULTRY BUSINESS INTERRUPTION IN-
14 SURANCE POLICY.—

15 “(A) DEFINITIONS.—In this paragraph,
16 the terms ‘poultry’ and ‘poultry grower’ have
17 the meanings given those terms in section 2(a)
18 of the Packers and Stockyards Act, 1921 (7
19 U.S.C. 182(a)).

20 “(B) AUTHORITY.—The Corporation shall
21 offer to enter into a contract or cooperative
22 agreement with an institution of higher edu-
23 cation or other legal entity to carry out re-
24 search and development regarding a policy to
25 insure the commercial production of poultry

1 against business interruptions caused by inte-
2 grator bankruptcy.

3 “(C) RESEARCH AND DEVELOPMENT.—As
4 part of the research and development conducted
5 pursuant to a contract or cooperative agreement
6 entered into under subparagraph (B), the entity
7 shall—

8 “(i) evaluate the market place for
9 business interruption insurance that is
10 available to poultry growers;

11 “(ii) determine what statutory author-
12 ity would be necessary to implement a
13 business interruption insurance through
14 the Corporation;

15 “(iii) assess the feasibility of a policy
16 or plan of insurance offered under this
17 subtitle to insure against a portion of
18 losses due to business interruption or to
19 the bankruptcy of an business integrator;
20 and

21 “(iv) analyze the costs to the Federal
22 Government of a Federal business inter-
23 ruption insurance program for poultry
24 growers or producers.

1 “(D) DEADLINE FOR CONTRACT OR COOP-
2 ERATIVE AGREEMENT.—Not later than 180
3 days after the date of enactment of this para-
4 graph, the Corporation shall offer to enter into
5 the contract or cooperative agreement required
6 by subparagraph (B).

7 “(E) DEADLINE FOR COMPLETION OF RE-
8 SEARCH AND DEVELOPMENT.—Not later than 1
9 year after the date of enactment of this para-
10 graph, the Corporation shall submit to the
11 Committee on Agriculture of the House of Rep-
12 resentatives and the Committee on Agriculture,
13 Nutrition, and Forestry of the Senate a report
14 that describes the results of the research and
15 development conducted pursuant to the contract
16 or cooperative agreement entered into under
17 subparagraph (B).]

18 “(23) STUDY OF FOOD SAFETY INSURANCE.—

19 “(A) IN GENERAL.—The Corporation shall
20 offer to enter into a contract with 1 or more
21 qualified entities to conduct a study to deter-
22 mine whether offering policies that provide cov-
23 erage for specialty crops from food safety and
24 contamination issues would benefit agricultural
25 producers.

1 “(B) SUBJECT.—The study described in
2 subparagraph (A) shall evaluate policies and
3 plans of insurance coverage that provide protec-
4 tion for production or revenue impacted by food
5 safety concerns including, at a minimum, gov-
6 ernment, retail, or national consumer group an-
7 nouncements of a health advisory, removal, or
8 recall related to a contamination concern.

9 “(C) REPORT.—Not later than 1 year
10 after the date of enactment of this paragraph,
11 the Corporation shall submit to the Committee
12 on Agriculture of the House of Representatives
13 and the Committee on Agriculture, Nutrition,
14 and Forestry of the Senate a report that de-
15 scribes the results of the study conducted under
16 subparagraph (A).”.

17 “(24) ALFALFA CROP INSURANCE POLICY.—

18 “(A) IN GENERAL.—The Corporation shall
19 offer to enter into 1 or more contracts with
20 qualified entities to carry out research and de-
21 velopment regarding a policy to insure alfalfa.

22 “(B) REPORT.—Not later than 1 year
23 after the date of enactment of this paragraph,
24 the Corporation shall submit to the Committee
25 on Agriculture of the House of Representatives

1 and the Committee on Agriculture, Nutrition,
2 and Forestry of the Senate a report that de-
3 scribes the results of the study conducted under
4 subparagraph (A).”.

5 (b) FUNDING.—Section 522(e) of the Federal Crop
6 Insurance Act (7 U.S.C. 1522(e)) is amended—

7 (1) in paragraph (2)—

8 (A) in subparagraph (A)—

9 (i) in the subparagraph heading, by
10 striking “AUTHORITY.—” and inserting
11 “CONDUCTING AND CONTRACTING FOR RE-
12 SEARCH AND DEVELOPMENT.—”; and

13 (ii) by inserting “conduct research
14 and development and” after “the Corpora-
15 tion may use to”; and

16 (B) in subparagraph (B), by inserting
17 “conduct research and development and” after
18 “for the fiscal year to”;

19 (2) in paragraph (3), in the matter preceding
20 subparagraph (A), by striking “to provide either re-
21 imbursement payments or contract payments”; and

22 (3) by striking paragraph (4).

1 **SEC. 11023. CROP INSURANCE FOR ORGANIC CROPS.**

2 (a) IN GENERAL.—Section 508(c)(6) of the Federal
3 Crop Insurance Act (7 U.S.C. 1508(c)(6)) is amended by
4 adding at the end the following:

5 “(D) ORGANIC CROPS.—

6 “(i) IN GENERAL.—As soon as pos-
7 sible, but not later than the 2015 reinsur-
8 ance year, the Corporation shall offer pro-
9 ducers of organic crops price elections for
10 all organic crops produced in compliance
11 with standards issued by the Department
12 of Agriculture under the national organic
13 program established under the Organic
14 Foods Production Act of 1990 (7 U.S.C.
15 6501 et seq.) that reflect the actual retail
16 or wholesale prices, as appropriate, re-
17 ceived by producers for organic crops, as
18 determined by the Secretary using all rel-
19 evant sources of information.

20 “(ii) ANNUAL REPORT.—The Corpora-
21 tion shall submit to the Committee on Ag-
22 riculture of the House of Representatives
23 and the Committee on Agriculture, Nutri-
24 tion, and Forestry of the Senate an annual
25 report on progress made in developing and

1 improving Federal crop insurance for or-
2 ganic crops, including—

3 “(I) the numbers and varieties of
4 organic crops insured;

5 “(II) the progress of imple-
6 menting the price elections required
7 under this subparagraph, including
8 the rate at which additional price elec-
9 tions are adopted for organic crops;

10 “(III) the development of new in-
11 surance approaches relevant to or-
12 ganic producers; and

13 “(IV) any recommendations the
14 Corporation considers appropriate to
15 improve Federal crop insurance cov-
16 erage for organic crops.”.

17 (b) CONFORMING AMENDMENT.—Section 522(c) of
18 the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as
19 amended by section 11022) is amended—

20 (1) by striking paragraph (10); and

21 (2) by redesignating paragraphs (11) through
22 (25) as paragraphs (10) through (24), respectively.

1 **SEC. 11024. PROGRAM COMPLIANCE PARTNERSHIPS.**

2 (a) IN GENERAL.—Section 522(d) of the Federal
3 Crop Insurance Act (7 U.S.C. 1522(d)) is amended by
4 striking paragraph (1) and inserting the following:

5 “(1) PURPOSE.—The purpose of this subsection
6 is to authorize the Corporation to enter into partner-
7 ships with public and private entities for the purpose
8 of either—

9 “(A) increasing the availability of loss miti-
10 gation, financial, and other risk management
11 tools for producers, with a priority given to risk
12 management tools for producers of agricultural
13 commodities covered by section 196 of the Agri-
14 cultural Market Transition Act (7 U.S.C.
15 7333), specialty crops, and underserved agricul-
16 tural commodities; or

17 “(B) improving analysis tools and tech-
18 nology regarding compliance or identifying and
19 using innovative compliance strategies.”.

20 (b) OBJECTIVES.—Section 522(d)(3) of the Federal
21 Crop Insurance Act (7 U.S.C. 1522(d)(3)) is amended—

22 (1) in subparagraph (F), by striking “and” at
23 the end;

24 (2) by redesignating subparagraph (G) as sub-
25 paragraph (H); and

1 (3) by inserting after subparagraph (F) the fol-
2 lowing:

3 “(G) to improve analysis tools and tech-
4 nology regarding compliance or identifying and
5 using innovative compliance strategies; and”.

6 **SEC. 11025. PILOT PROGRAMS.**

7 Section 523(a) of the Federal Crop Insurance Act (7
8 U.S.C. 1523(a)) is amended—

9 (1) in paragraph (1), by inserting “, at the sole
10 discretion of the Corporation,” after “may”; and

11 (2) by striking paragraph (5).

12 **SEC. 11026. INDEX-BASED WEATHER INSURANCE PILOT**
13 **PROGRAM.**

14 Section 523 of the Federal Crop Insurance Act (7
15 U.S.C. 1523) is amended by adding at the end the fol-
16 lowing:

17 “(i) UNDERSERVED CROPS AND REGIONS PILOT
18 PROGRAMS.—

19 “(1) DEFINITION OF LIVESTOCK COMMODITY.—

20 In this subsection, the term ‘livestock commodity’ in-
21 cludes cattle, sheep, swine, goats, and poultry, in-
22 cluding pasture, rangeland, and forage as a source
23 of feed for that livestock.

24 “(2) AUTHORIZATION.—Notwithstanding sub-
25 section (a)(2), the Corporation may conduct 2 or

1 more pilot programs to provide producers of under-
2 served specialty crops and livestock commodities
3 with index-based weather insurance, subject to the
4 requirements of this section.

5 “(3) REVIEW AND APPROVAL OF SUBMIS-
6 SIONS.—

7 “(A) IN GENERAL.—The Board shall ap-
8 prove 2 or more proposed policies or plans of
9 insurance from approved insurance providers if
10 the Board determines that the policies or plans
11 provide coverage as specified in paragraph (2),
12 and meet the conditions described in this para-
13 graph

14 “(B) REQUIREMENTS.—To be eligible for
15 approval under this subsection, the approved in-
16 surance provider shall have—

17 “(i) adequate experience underwriting
18 and administering policies or plans of in-
19 surance that are comparable to the pro-
20 posed policy or plan of insurance;

21 “(ii) sufficient assets or reinsurance
22 to satisfy the underwriting obligations of
23 the approved insurance provider, and pos-
24 sess a sufficient insurance credit rating

1 from an appropriate credit rating bureau,
2 in accordance with Board procedures; and
3 “(iii) applicable authority and ap-
4 proval from each State in which the ap-
5 proved insurance provider intends to sell
6 the insurance product.

7 “(C) REVIEW REQUIREMENTS.—In review-
8 ing applications under this subsection, the
9 Board shall conduct the review in a manner
10 consistent with the standards, rules, and proce-
11 dures for policies or plans of insurance sub-
12 mitted under section 508(h) and the actuarial
13 soundness requirements applied to other policies
14 and plans of insurance made available under
15 this subtitle.

16 “(D) PRIORITIZATION.—The Board shall
17 prioritize applications that provide a new kind
18 of coverage for specialty crops and livestock
19 commodities that previously had no available
20 crop insurance, or has demonstrated a low level
21 of participation under existing coverage.

22 “(4) PAYMENT OF PREMIUM SUPPORT.—

23 “(A) IN GENERAL.—The Corporation shall
24 pay a portion of the premium for producers

1 that purchase a policy or plan of insurance ap-
2 proved pursuant to this subsection.

3 “(B) AMOUNT.—The premium subsidy
4 shall provide a similar dollar amount of pre-
5 mium subsidy per acre that the Corporation
6 pays for comparable policies or plans of insur-
7 ance reinsured under this subtitle, except that
8 in no case shall the premium subsidy exceed 60
9 percent of total premium, as determined by the
10 Corporation.

11 “(C) CALCULATION.—The premium sub-
12 sidy, as determined by the Corporation, shall be
13 calculated as—

14 “(i) a percentage of premium;

15 “(ii) a percentage of expected loss de-
16 termined pursuant to a reasonable actu-
17 arial methodology; or

18 “(iii) a fixed dollar amount per acre.

19 “(D) PAYMENT.—Subject to subpara-
20 graphs (B) and (C), the premium subsidy under
21 this subsection shall be paid by the Corporation
22 in the same manner and under the same terms
23 and conditions as premium subsidy for other
24 policies and plans of insurance.

1 “(E) OPERATING AND ADMINISTRATIVE
2 EXPENSE PAYMENTS.—

3 “(i) IN GENERAL.—Subject to clause
4 (ii), operating and administrative expense
5 payments may be made for policies and
6 plans of insurance approved under this
7 subsection in an amount that is commensurate with similar policies and plans of insurance reinsured under this subtitle, on the condition that the operating and administrative expenses are not included in premiums.

8 “(ii) LIMITATION.—Subject to subparagraph (F)(i), Federal reinsurance, research and development costs, other reimbursements, or maintenance fees shall not be provided or collected for policies and plans of insurance approved under this subsection.

9 “(F) APPROVED INSURANCE PROVIDERS.—
10 Any policy or plan of insurance approved under
11 this subsection may be sold only by the approved insurance provider that submits the application and by any additional approved insurance provider that—
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1 “(i) agrees to pay maintenance fees or
2 other payments to the approved insurance
3 provider that submitted the application in
4 an amount agreed to by the applicant and
5 the additional approved insurance provider,
6 on the condition that the fees or payments
7 shall be reasonable and appropriate to en-
8 sure that the policies or plans of insurance
9 may be made available by additional ap-
10 proved insurance providers; and

11 “(ii) meets the eligibility criteria of
12 paragraph (3)(B), as determined by the
13 Board.

14 “(G) RELATIONSHIP TO OTHER PROVI-
15 SIONS.—The requirements of this paragraph
16 shall apply notwithstanding paragraph (6).

17 “(5) OVERSIGHT.—The Corporation shall de-
18 velop and publish procedures to administer policies
19 or plans of insurance approved under this subsection
20 that—

21 “(A) require each approved insurance pro-
22 vider to report sales, acreage and claim data,
23 and any other data that the Corporation deter-
24 mines to be appropriate, to allow the Corpora-

1 tion to evaluate sales and performance of the
2 product; and

3 “(B) contain such other requirements as
4 the Corporation determines necessary to ensure
5 that the products—

6 “(i) do not have a significant adverse
7 impact on the crop insurance delivery sys-
8 tem;

9 “(ii) are in the best interests of pro-
10 ducers; and

11 “(iii) do not result in a reduction of
12 program integrity.

13 “(6) CONFIDENTIALITY.—

14 “(A) IN GENERAL.—All reports required
15 under paragraph (5) and all other proprietary
16 information and data generated or derived from
17 applicants under this subsection shall be consid-
18 ered to be confidential commercial or financial
19 information for the purposes of section
20 552(b)(4) of title 5, United States Code.

21 “(B) STANDARD.—If information con-
22 cerning a proposal could be withheld by the
23 Secretary under the standard for privileged or
24 confidential information pertaining to trade se-
25 crets and commercial or financial information

1 under section 552(b)(4) of title 5, United
2 States Code, the information shall not be re-
3 leased to the public.

4 “(7) INELIGIBLE PURPOSES.—In no case shall
5 a policy or plan of insurance made available under
6 this subsection provide coverage substantially similar
7 to privately available hail insurance.

8 “(8) FUNDING.—

9 “(A) LIMITATION ON EXPENDITURES.—
10 Notwithstanding any other provision in this
11 subsection, of the funds of the Corporation, the
12 Corporation shall use to carry out this section
13 not more than \$12,500,000 for each of fiscal
14 years 2015 through 2018, to remain available
15 until expended.

16 “(B) RELATION TO OTHER PROGRAMS.—
17 The amount of funds made available under this
18 section shall be in addition to amounts made
19 available under other provisions of this subtitle,
20 including amounts made available under sub-
21 section (b).”.

1 **SEC. 11027. ENHANCING PRODUCER SELF-HELP THROUGH**
2 **FARM FINANCIAL BENCHMARKING.**

3 (a) DEFINITION.—Section 502(b) of the Federal
4 Crop Insurance Act (7 U.S.C. 1502(b)) (as amended by
5 section 11016(a)(1)) is amended—

6 (1) by redesignating paragraphs (7) through
7 (10) as paragraphs (8) through (11), respectively;
8 and

9 (2) by inserting after paragraph (6) the fol-
10 lowing:

11 “(7) FARM FINANCIAL BENCHMARKING.—The
12 term ‘farm financial benchmarking’ means—

13 “(A) the process of comparing the per-
14 formance of an agricultural enterprise against
15 the performance of other similar enterprises,
16 through the use of comparable and reliable
17 data, in order to identify business management
18 strengths, weaknesses, and steps necessary to
19 improve management performance and business
20 profitability; and

21 “(B) benchmarking of the type conducted
22 by farm management and producer associations
23 consistent with the activities described in or
24 funded pursuant to section 1672D of the Food,
25 Agriculture, Conservation, and Trade Act of
26 1990 (7 U.S.C. 5925f).”.

1 (b) PARTNERSHIPS FOR RISK MANAGEMENT FOR
2 PRODUCERS OF SPECIALTY CROPS AND UNDERSERVED
3 AGRICULTURAL COMMODITIES.—Section 522(d)(3)(F) of
4 the Federal Crop Insurance Act (7 U.S.C. 1522(d)(3)(F))
5 is amended by inserting “farm financial benchmarking,”
6 after “management,”.

7 (c) CROP INSURANCE EDUCATION AND RISK MAN-
8 AGEMENT ASSISTANCE.—Section 524(a) of the Federal
9 Crop Insurance Act (7 U.S.C. 1524(a)) is amended—

10 (1) in paragraph (3)(A), by inserting “farm fi-
11 nancial benchmarking,” after “risk reduction,”; and

12 (2) in paragraph (4), in the matter preceding
13 subparagraph (A), by inserting “(including farm fi-
14 nancial benchmarking)” after “management strate-
15 gies”.

16 **SEC. 11028. TECHNICAL AMENDMENTS.**

17 (a) Section 508 of the Federal Crop Insurance Act
18 (7 U.S.C. 1508) is amended—

19 (1) in subsection (b)—

20 (A) by striking paragraph (7); and

21 (B) by redesignating paragraphs (8)
22 through (11) as paragraphs (7) through (10),
23 respectively;

1 (2) in subsection (e)(2), in the matter preceding
2 subparagraph (A), by striking “paragraph (3)” and
3 inserting “paragraphs (3), (6), and (7)”; and

4 (3) in subsection (k)(8)(C), by striking “sub-
5 paragraph (A)(iii)” and inserting “subparagraph
6 (A)(ii)”.

7 (b) Section 522 of the Federal Crop Insurance Act
8 (7 U.S.C. 1522) is amended—

9 (1) in subsection (b)(4)(A), by striking “para-
10 graphs (1)” and inserting “paragraph (1)”; and

11 (2) in subsection (e)(1), by adding a period at
12 the end.

13 (c) Section 531(d)(3)(A) of the Federal Crop Insur-
14 ance Act (7 U.S.C. 1531(d)(3)(A)) is amended—

15 (1) by striking “(A) ELIGIBLE LOSSES.—” and
16 all that follows through “An eligible” in clause (i)
17 and inserting the following:

18 “(A) ELIGIBLE LOSSES.—An eligible”;

19 (2) by striking clause (ii); and

20 (3) by redesignating subclauses (I) and (II) as
21 clauses (i) and (ii), respectively, and indenting ap-
22 propriately.

23 (d) Section 901(d)(3)(A) of the Trade Act of 1974
24 (19 U.S.C. 2497(d)(3)(A)) is amended—

1 (1) by striking “(A) ELIGIBLE LOSSES.—” and
2 all that follows through “An eligible” in clause (i)
3 and inserting the following:

4 “(A) ELIGIBLE LOSSES.—An eligible”;

5 (2) by striking clause (ii); and

6 (3) by redesignating subclauses (I) and (II) as
7 clauses (i) and (ii), respectively, and indenting ap-
8 propriately.

9 **TITLE XII—MISCELLANEOUS**

10 **Subtitle A—Livestock**

11 **SEC. 12101. TRICHINAE CERTIFICATION PROGRAM.**

12 (a) ALTERNATIVE CERTIFICATION PROCESS.—The
13 Secretary of Agriculture shall amend the rule made under
14 paragraph (2) of section 11010(a) of the Food, Conserva-
15 tion, and Energy Act of 2008 (7 U.S.C. 8304(a)) to imple-
16 ment the voluntary trichinae certification program estab-
17 lished under paragraph (1) of such section, to include a
18 requirement to establish an alternative trichinae certifi-
19 cation process based on surveillance or other methods con-
20 sistent with international standards for categorizing com-
21 partments as having negligible risk for trichinae.

22 (b) FINAL REGULATIONS.—Not later than one year
23 after the date on which the international standards re-
24 ferred to in subsection (a) are adopted, the Secretary shall
25 finalize the rule amended under such subsection.

1 (c) REAUTHORIZATION.—Section 10405(d)(1) of the
2 Animal Health Protection Act (7 U.S.C. 8304(d)(1)) is
3 amended in subparagraphs (A) and (B) by striking
4 “2012” each place it appears and inserting “2018”.

5 **SEC. 12102. SHEEP PRODUCTION AND MARKETING GRANT**
6 **PROGRAM.**

7 (a) IN GENERAL.—Subtitle A of the Agricultural
8 Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended
9 by adding at the end the following:

10 **“SEC. 209. SHEEP PRODUCTION AND MARKETING GRANT**
11 **PROGRAM.**

12 “(a) ESTABLISHMENT.—The Secretary of Agri-
13 culture, acting through the Administrator of the Agricul-
14 tural Marketing Service, shall establish a competitive
15 grant program for the purposes of strengthening and en-
16 hancing the production and marketing of sheep and sheep
17 products in the United States, including through—

18 “(1) the improvement of—

19 “(A) infrastructure;

20 “(B) business; and

21 “(C) resource development; and

22 “(2) the development of innovative approaches
23 to solve long-term needs.

24 “(b) ELIGIBILITY.—The Secretary shall make grants
25 under this section to at least one national entity, the mis-

1 sion of which is consistent with the purpose of the grant
2 program.

3 “(c) FUNDING.—Of the funds of the Commodity
4 Credit Corporation, the Secretary shall use to carry out
5 this section \$1,500,000 for fiscal year 2014, to remain
6 available until expended.”.

7 (b) CONFORMING AMENDMENT.—Section 375 of the
8 Consolidated Farm and Rural Development Act (7 U.S.C.
9 2008j) (as in existence on the day before the date of the
10 enactment of this Act) is—

11 (1) amended in subsection (e)—

12 (A) in paragraph (3)(D), by striking “3
13 percent” and inserting “10 percent”; and

14 (B) by striking paragraph (6);

15 (2) redesignated as section 210 of the Agricul-
16 tural Marketing Act of 1946; and

17 (3) moved so as to appear at the end of subtitle
18 A of that Act (as amended by subsection (a)).

19 **SEC. 12103. NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

20 Section 11013(d) of the Food, Conservation, and En-
21 ergy Act of 2008 (7 U.S.C. 8322(d)) is amended by strik-
22 ing “2012” and inserting “2018”.

23 **SEC. 12104. COUNTRY OF ORIGIN LABELING.**

24 (a) ECONOMIC ANALYSIS.—

1 (1) IN GENERAL.—Not later than 180 days
2 after the date of the enactment of this Act, the Sec-
3 retary of Agriculture, acting through the Office of
4 the Chief Economist, shall conduct an economic
5 analysis of the final rule entitled “Mandatory Coun-
6 try of Origin Labeling of Beef, Pork, Lamb, Chick-
7 en, Goat Meat, Wild and Farm-raised Fish and
8 Shellfish, Perishable Agricultural Commodities, Pea-
9 nuts, Pecans, Ginseng and Macadamia Nuts” pub-
10 lished by the Department of Agriculture on May 24,
11 2013 (78 Fed. Reg. 31367) that makes certain
12 amendments to parts 60 and 65 of title 7, Code of
13 Federal Regulations.

14 (2) CONTENTS.—The economic analysis de-
15 scribed in subsection (a) shall include, with respect
16 to the labeling of beef, pork, and chicken, an anal-
17 ysis of the impact on consumers, producers, and
18 packers in the United States of—

19 (A) the implementation of subtitle D of the
20 Agricultural Marketing Act of 1946 (7 U.S.C.
21 1638 et seq.); and

22 (B) the final rule referred to in subsection
23 (a).

24 (b) APPLYING COUNTRY OF ORIGIN LABELING RE-
25 QUIREMENTS TO VENISON.—

1 (1) DEFINITION OF COVERED COMMODITY.—
2 Section 281(2)(A) of the Agricultural Marketing Act
3 of 1946 (7 U.S.C. 1638(2)(A)) is amended—

4 (A) in clause (i), by striking “and pork”
5 and inserting “pork, and venison”; and

6 (B) in clause (ii), by striking “and ground
7 pork” and inserting “ground pork, and ground
8 venison”.

9 (2) NOTICE OF COUNTRY OF ORIGIN.—Section
10 282(a)(2) of the Agricultural Marketing Act of 1946
11 (7 U.S.C. 1638a(a)(2)) is amended—

12 (A) in the heading, by striking “AND
13 GOAT” and inserting “GOAT, AND VENISON”;

14 (B) by striking “or goat” and inserting
15 “goat, or venison” each place it appears in sub-
16 paragraphs (A), (B), (C), and (D); and

17 (C) in subparagraph (E)—

18 (i) in the heading, by striking “AND
19 GOAT” and inserting “GOAT, AND VENI-
20 SON”; and

21 (ii) by striking “or ground goat” each
22 place it appears and inserting “ground
23 goat, or ground venison”.

1 **SEC. 12105. NATIONAL ANIMAL HEALTH LABORATORY NET-**
2 **WORK.**

3 The Animal Health Protection Act is amended by in-
4 serting after section 10409 (7 U.S.C. 8308) the following
5 new section:

6 **“SEC. 10409A. NATIONAL ANIMAL HEALTH LABORATORY**
7 **NETWORK.**

8 “(a) DEFINITION OF ELIGIBLE LABORATORY.—In
9 this section, the term ‘eligible laboratory’ means a diag-
10 nostic laboratory that meets specific criteria developed by
11 the Secretary, in consultation with State animal health of-
12 ficials, State veterinary diagnostic laboratories, and veteri-
13 nary diagnostic laboratories at institutions of higher edu-
14 cation (as defined in section 101 of the Higher Education
15 Act of 1965 (20 U.S.C. 1001)).

16 “(b) IN GENERAL.—The Secretary, in consultation
17 with State veterinarians, shall offer to enter into con-
18 tracts, grants, cooperative agreements, or other legal in-
19 struments with eligible laboratories for any of the fol-
20 lowing purposes:

21 “(1) To enhance the capability of the Secretary
22 to respond in a timely manner to emerging or exist-
23 ing bioterrorist threats to animal health.

24 “(2) To provide the capacity and capability for
25 standardized—

1 “(A) test procedures, reference materials,
2 and equipment;

3 “(B) laboratory biosafety and biosecurity
4 levels;

5 “(C) quality management system require-
6 ments;

7 “(D) interconnected electronic reporting
8 and transmission of data; and

9 “(E) evaluation for emergency prepared-
10 ness.

11 “(3) To coordinate the development, implemen-
12 tation, and enhancement of national veterinary diag-
13 nostic laboratory capabilities, with special emphasis
14 on surveillance planning and vulnerability analysis,
15 technology development and validation, training, and
16 outreach.

17 “(c) PRIORITY.—To the extent practicable and to the
18 extent capacity and specialized expertise may be nec-
19 essary, the Secretary shall give priority to existing Federal
20 facilities, State facilities, and facilities at institutions of
21 higher education.

22 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to carry out this section
24 \$15,000,000 for each of fiscal years 2014 through 2018.”.

1 **SEC. 12106. FOOD SAFETY INSPECTION.**

2 (a) INSPECTIONS.—

3 (1) IN GENERAL.—Section 1(w) of the Federal
4 Meat Inspection Act (21 U.S.C. 601(w)) is amended
5 by striking paragraph (2) and inserting the fol-
6 lowing:

7 “(2) all fish of the order Siluriformes; and”.

8 (2) CONDITIONS.—Section 6 of the Federal
9 Meat Inspection Act (21 U.S.C. 606) is amended by
10 striking subsection (b) and inserting the following:

11 “(b) CERTAIN FISH.—In the case of an examination
12 and inspection under subsection (a) of a meat food prod-
13 uct derived from any fish described in section 1(w)(2), the
14 Secretary shall take into account the conditions under
15 which the fish is raised and transported to a processing
16 establishment.”.

17 (3) INAPPLICABILITY.—Section 25 of the Fed-
18 eral Meat Inspection Act (21 U.S.C. 625) is amend-
19 ed by striking “not apply” and all that follows and
20 inserting “not apply to any fish described in section
21 1(w)(2).”.

22 (4) CONFORMING AMENDMENT.—Section
23 203(n) of the Agricultural Marketing Act of 1946 (7
24 U.S.C. 1622(n)) is amended by striking paragraph
25 (1) and inserting the following:

26 “(1) all fish of the order Siluriformes; and”.

1 (b) IMPLEMENTATION.—

2 (1) IN GENERAL.—The Secretary shall—

3 (A) not later than 60 days after the date
4 of enactment of this Act, issue final regulations
5 to carry out the amendments made by section
6 11016(b)(1) of the Food, Conservation, and
7 Energy Act of 2008 (Public Law 110–246; 122
8 Stat. 2130), as further clarified by the amend-
9 ments made by this section; and

10 (B) not later than 1 year after the date of
11 enactment of this Act, implement the amend-
12 ments described in subparagraph (A).

13 (2) NOTIFICATION.—Beginning 30 days after
14 the date of enactment of this Act and every 30 days
15 thereafter until the date of full implementation of
16 the amendments described in paragraph (1)(A), the
17 Secretary shall submit a report describing the status
18 of implementation to—

19 (A) the Committee on Agriculture of the
20 House of Representatives;

21 (B) the Committee on Agriculture, Nutri-
22 tion and Forestry of the Senate;

23 (C) the Subcommittee on Agriculture,
24 Rural Development, Food and Drug Adminis-
25 tration, and Related Agencies of the Committee

1 on Appropriations of the House of Representa-
2 tives; and

3 (D) the Subcommittee on Agriculture,
4 Rural Development, and Related Agencies of
5 the Committee on Appropriations of the Senate.

6 (3) PROCEDURE.—Section 1601(c)(2) applies to
7 the promulgation of the regulations and administra-
8 tion of this section and the amendments made by
9 this section.

10 (4) CONFORMING AMENDMENT.—Section
11 11016(b) of the Food, Conservation, and Energy
12 Act of 2008 (Public Law 110–246; 122 Stat. 2130)
13 is amended by striking paragraph (2) and inserting
14 the following:

15 “(2) IMPLEMENTATION.—

16 “(A) REGULATIONS.—Not later than 60
17 days after the date of enactment of the Agricul-
18 tural Act of 2014, the Secretary, in consulta-
19 tion with the Commissioner of Food and Drugs,
20 shall issue final regulations to carry out the
21 amendments made by paragraph (1) and sec-
22 tion 12106 of that Act in a manner that en-
23 sures that there is no duplication in inspection
24 activities.

1 “(B) INTERAGENCY COORDINATION.—Not
2 later than 60 days after the date of enactment
3 of the Agricultural Act of 2014, the Secretary
4 shall execute a memorandum of understanding
5 with the Commissioner of Food and Drugs for
6 the following purposes:

7 “(i) To improve interagency coopera-
8 tion on food safety and fraud prevention,
9 building upon any other prior agreements,
10 including provisions, performance metrics,
11 and timelines as appropriate.

12 “(ii) To maximize the effectiveness of
13 limited personnel and resources by ensur-
14 ing that—

15 “(I) inspections conducted by the
16 Department satisfy requirements
17 under the Federal Food, Drug, and
18 Cosmetic Act (21 U.S.C. 301 et seq.);

19 “(II) inspections of shipments
20 and processing facilities for fish of the
21 order Siluriformes by the Department
22 and the Food and Drug Administra-
23 tion are not duplicative; and

24 “(III) any information resulting
25 from examination, testing, and inspec-

1 tions conducted is considered in mak-
2 ing risk-based determinations, includ-
3 ing the establishment of inspection
4 priorities.”.

5 (c) EFFECTIVE DATE.—This section and the amend-
6 ments made by this section shall take effect as if enacted
7 as part of section 11016(b) of the Food, Conservation, and
8 Energy Act of 2008 (Public Law 110–246; 122 Stat.
9 2130).

10 **SEC. 12107. NATIONAL POULTRY IMPROVEMENT PLAN.**

11 The Secretary of Agriculture shall ensure that the
12 Department of Agriculture continues to administer the di-
13 agnostic surveillance program for H5/H7 low pathogenic
14 avian influenza with respect to commercial poultry under
15 section 146.14 of title 9, Code of Federal Regulations (or
16 a successor regulation), without amending the regulations
17 in section 147.43 of title 9, Code of Federal Regulations
18 (as in effect on the date of the enactment of this Act),
19 with respect to the governance of the General Conference
20 Committee established under such section. The Secretary
21 of Agriculture shall maintain—

22 (1) the operations of the General Conference
23 Committee—

1 (A) in the physical location at which the
2 Committee was located on the date of the en-
3 actment of this Act; and

4 (B) with the organizational structure with-
5 in the Department of Agriculture in effect as of
6 such date; and

7 (2) the funding levels for the National Poultry
8 Improvement Plan for Commercial Poultry (estab-
9 lished under part 146 of title 9, Code of Federal
10 Regulations, or a successor regulation) at the fiscal
11 year 2013 funding levels for the Plan.

12 **SEC. 12108. SENSE OF CONGRESS REGARDING FERAL**
13 **SWINE ERADICATION.**

14 It is the sense of the Congress that—

15 (1) the Secretary of Agriculture should recog-
16 nize the threat feral swine pose to the domestic
17 swine population and the entire agriculture industry;
18 and

19 (2) feral swine eradication is a high priority
20 that the Secretary should carry out under the au-
21 thorities of the Animal Health Protection Act (7
22 U.S.C. 8301 et seq.).

1 **Subtitle B—Socially Disadvantaged**
2 **Producers and Limited Re-**
3 **source Producers**

4 **SEC. 12201. OUTREACH AND ASSISTANCE FOR SOCIALLY**
5 **DISADVANTAGED FARMERS AND RANCHERS**
6 **AND VETERAN FARMERS AND RANCHERS.**

7 (a) OUTREACH AND ASSISTANCE FOR SOCIALLY DIS-
8 ADVANTAGED FARMERS AND RANCHERS AND VETERAN
9 FARMERS AND RANCHERS.—Section 2501 of the Food,
10 Agriculture, Conservation, and Trade Act of 1990 (7
11 U.S.C. 2279) is amended—

12 (1) in the section heading, by inserting “**AND**
13 **VETERAN FARMERS AND RANCHERS**” after
14 “**RANCHERS**”;

15 (2) in subsection (a)—

16 (A) in paragraph (1), in the matter pre-
17 ceding subparagraph (A), by inserting “and vet-
18 eran farmers or ranchers” after “ranchers”;

19 (B) in paragraph (2)(B)(i), by inserting
20 “and veteran farmers or ranchers” after
21 “ranchers”; and

22 (C) in paragraph (4)—

23 (i) in subparagraph (A)—

1 (I) in the subparagraph heading,
2 by striking “2012” and inserting
3 “2018”;

4 (II) in clause (i), by striking
5 “and” at the end;

6 (III) in clause (ii), by striking
7 the period at the end and inserting “;
8 and”; and

9 (IV) by adding at the end the fol-
10 lowing new clause:

11 “(iii) \$10,000,000 for each of fiscal
12 years 2014 through 2018.”; and

13 (ii) by adding at the end the following
14 new subparagraph:

15 “(E) AUTHORIZATION OF APPROPRIA-
16 TIONS.—There are authorized to be appro-
17 priated to carry out this section \$20,000,000
18 for each of fiscal years 2014 through 2018.”;

19 (3) in subsection (b)(2), by inserting “or vet-
20 eran farmers and ranchers” after “socially disadvan-
21 tagged farmers and ranchers”;

22 (4) in subsection (c)—

23 (A) in paragraph (1)(A), by inserting “vet-
24 eran farmers or ranchers and” before “mem-
25 bers”; and

1 (B) in paragraph (2)(A), by inserting “vet-
2 eran farmers or ranchers and” before “mem-
3 bers”; and

4 (5) in subsection (e)(5)(A)—

5 (A) in clause (i), by inserting “and veteran
6 farmers or ranchers” after “ranchers”; and

7 (B) in clause (ii), by inserting “and vet-
8 eran farmers or ranchers” after “ranchers”.

9 (b) DEFINITION OF VETERAN FARMER OR RANCH-
10 ER.—Section 2501(e) of the Food, Agriculture, Conserva-
11 tion, and Trade Act of 1990 (7 U.S.C. 2279(e)) is amend-
12 ed by adding at the end the following new paragraph:

13 “(7) VETERAN FARMER OR RANCHER.—The
14 term ‘veteran farmer or rancher’ means a farmer or
15 rancher who has served in the Armed Forces (as de-
16 fined in section 101(10) of title 38 United States
17 Code) and who—

18 “(A) has not operated a farm or ranch; or

19 “(B) has operated a farm or ranch for not
20 more than 10 years.”.

21 **SEC. 12202. OFFICE OF ADVOCACY AND OUTREACH.**

22 Paragraph (3) of section 226B(f) of the Department
23 of Agriculture Reorganization Act of 1994 (7 U.S.C.
24 6934(f)) is amended to read as follows:

1 “(3) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated to carry out
3 this subsection—

4 “(A) such sums as are necessary for each
5 of fiscal years 2009 through 2013; and

6 “(B) \$2,000,000 for each of fiscal years
7 2014 through 2018.”.

8 **SEC. 12203. SOCIALLY DISADVANTAGED FARMERS AND**
9 **RANCHERS POLICY RESEARCH CENTER.**

10 Section 2501 of the Food, Agriculture, Conservation,
11 and Trade Act of 1990 (7 U.S.C. 2279), as amended by
12 section 12201, is amended by adding at the end the fol-
13 lowing new subsection:

14 “(i) SOCIALLY DISADVANTAGED FARMERS AND
15 RANCHERS POLICY RESEARCH CENTER.—The Secretary
16 shall award a grant to a college or university eligible to
17 receive funds under the Act of August 30, 1890 (7 U.S.C.
18 321 et seq.), including Tuskegee University, to establish
19 a policy research center to be known as the ‘Socially Dis-
20 advantaged Farmers and Ranchers Policy Research Cen-
21 ter’ for the purpose of developing policy recommendations
22 for the protection and promotion of the interests of so-
23 cially disadvantaged farmers and ranchers.”.

1 **SEC. 12204. RECEIPT FOR SERVICE OR DENIAL OF SERVICE**
2 **FROM CERTAIN DEPARTMENT OF AGRI-**
3 **CULTURE AGENCIES.**

4 Section 2501A(e) of the Food, Agriculture, Conserva-
5 tion, and Trade Act of 1990 (7 U.S.C. 2279–1(e)) is
6 amended by striking “and, at the time of the request, also
7 requests a receipt”.

8 **Subtitle C—Other Miscellaneous**
9 **Provisions**

10 **SEC. 12301. GRANTS TO IMPROVE SUPPLY, STABILITY,**
11 **SAFETY, AND TRAINING OF AGRICULTURAL**
12 **LABOR FORCE.**

13 Subsection (d) of section 14204 of the Food, Con-
14 servation, and Energy Act of 2008 (7 U.S.C. 2008q–1)
15 is amended to read as follows:

16 “(d) **AUTHORIZATION OF APPROPRIATIONS.**—There
17 are authorized to be appropriated to carry out this sec-
18 tion—

19 “(1) such sums as are necessary for each of fis-
20 cal years 2008 through 2013; and

21 “(2) \$10,000,000 for each of fiscal years 2014
22 through 2018.”.

1 **SEC. 12302. PROGRAM BENEFIT ELIGIBILITY STATUS FOR**
2 **PARTICIPANTS IN HIGH PLAINS WATER**
3 **STUDY.**

4 Section 2901 of the Food, Conservation, and Energy
5 Act of 2008 (Public Law 110–246; 122 Stat. 1818) is
6 amended by striking “this Act or an amendment made by
7 this Act” and inserting “this Act, an amendment made
8 by this Act, the Agricultural Act of 2014, or an amend-
9 ment made by the Agricultural Act of 2014”.

10 **SEC. 12303. OFFICE OF TRIBAL RELATIONS.**

11 Title III of the Federal Crop Insurance Reform and
12 Department of Agriculture Reorganization Act of 1994 is
13 amended by adding after section 308 (7 U.S.C. 3125a
14 note; Public Law 103–354) the following new section:

15 **“SEC. 309. OFFICE OF TRIBAL RELATIONS.**

16 “The Secretary shall maintain in the Office of the
17 Secretary an Office of Tribal Relations, which shall advise
18 the Secretary on policies related to Indian tribes and carry
19 out such other functions as the Secretary considers appro-
20 priate.”.

21 **SEC. 12304. MILITARY VETERANS AGRICULTURAL LIAISON.**

22 Subtitle A of the Department of Agriculture Reorga-
23 nization Act of 1994 is amended by inserting after section
24 218 (7 U.S.C. 6918) the following new section:

1 **“SEC. 219. MILITARY VETERANS AGRICULTURAL LIAISON.**

2 “(a) AUTHORIZATION.—The Secretary shall establish
3 in the Department the position of Military Veterans Agri-
4 cultural Liaison.

5 “(b) DUTIES.—The Military Veterans Agricultural
6 Liaison shall—

7 “(1) provide information to returning veterans
8 about, and connect returning veterans with, begin-
9 ning farmer training and agricultural vocational and
10 rehabilitation programs appropriate to the needs and
11 interests of returning veterans, including assisting
12 veterans in using Federal veterans educational bene-
13 fits for purposes relating to beginning a farming or
14 ranching career;

15 “(2) provide information to veterans concerning
16 the availability of, and eligibility requirements for,
17 participation in agricultural programs, with par-
18 ticular emphasis on beginning farmer and rancher
19 programs;

20 “(3) serve as a resource for assisting veteran
21 farmers and ranchers, and potential farmers and
22 ranchers, in applying for participation in agricul-
23 tural programs; and

24 “(4) advocate on behalf of veterans in inter-
25 actions with employees of the Department.

1 “(c) CONTRACTS AND COOPERATIVE AGREE-
2 MENTS.—For purposes of carrying out the duties under
3 subsection (b), the Military Veterans Agricultural Liaison
4 may enter into contracts or cooperative agreements with
5 the research centers of the Agricultural Research Service,
6 institutions of higher education (as defined in section 101
7 of the Higher Education Act of 1965 (20 U.S.C. 1001)),
8 or nonprofit organizations for—

9 “(1) the conduct of regional research on the
10 profitability of small farms;

11 “(2) the development of educational materials;

12 “(3) the conduct of workshops, courses, and
13 certified vocational training;

14 “(4) the conduct of mentoring activities; or

15 “(5) the provision of internship opportunities.”.

16 **SEC. 12305. NONINSURED CROP ASSISTANCE PROGRAM.**

17 (a) IN GENERAL.—Section 196 of the Federal Agri-
18 culture Improvement and Reform Act of 1996 (7 U.S.C.
19 7333) is amended—

20 (1) in subsection (a)—

21 (A) by striking paragraph (1) and insert-
22 ing the following:

23 “(1) IN GENERAL.—

24 “(A) COVERAGES.—In the case of an eligi-
25 ble crop described in paragraph (2), the Sec-

1 retary of Agriculture shall operate a noninsured
2 crop disaster assistance program to provide cov-
3 erages based on individual yields (other than
4 for value-loss crops) equivalent to—

5 “(i) catastrophic risk protection avail-
6 able under section 508(b) of the Federal
7 Crop Insurance Act (7 U.S.C. 1508(b)); or

8 “(ii) except in the case of crops and
9 grasses used for grazing, additional cov-
10 erage available under subsections (c) and
11 (h) of section 508 of that Act (7 U.S.C.
12 1508) that does not exceed 65 percent, as
13 described in subsection (l).

14 “(B) ADMINISTRATION.—The Secretary
15 shall carry out this section through the Farm
16 Service Agency (referred to in this section as
17 the ‘Agency’).”; and

18 (B) in paragraph (2)—

19 (i) in subparagraph (A)—

20 (I) in clause (i), by striking
21 “and” after the semicolon at the end;

22 (II) by redesignating clause (ii)
23 as clause (iii); and

24 (III) by inserting after clause (i)
25 the following:

1 “(ii) for which additional
2 coverage under subsections (c)
3 and (h) of section 508 of that
4 Act (7 U.S.C. 1508) is not avail-
5 able; and”; and

6 (ii) in subparagraph (B), by striking
7 “and industrial crops” and inserting
8 “sweet sorghum, biomass sorghum, and in-
9 dustrial crops (including those grown ex-
10 pressly for the purpose of producing a
11 feedstock for renewable biofuel, renewable
12 electricity, or biobased products)”;

13 (2) in subsection (i)(2), by striking “\$100,000”
14 and inserting “\$125,000”;

15 (3) in subsection (k)(2), by striking “limited re-
16 source farmer” and inserting “limited resource, be-
17 ginning, or socially disadvantaged farmer”; and

18 (4) by adding at the end the following:

19 “(l) PAYMENT EQUIVALENT TO ADDITIONAL COV-
20 ERAGE.—

21 “(1) IN GENERAL.—The Secretary shall make
22 available noninsured assistance under this subsection
23 (other than for crops and grasses used for grazing)
24 at a payment amount that is equivalent to an indem-
25 nity for additional coverage under subsections (c)

1 and (h) of section 508 of the Federal Crop Insur-
2 ance Act (7 U.S.C. 1508) and equal to the product
3 obtained by multiplying—

4 “(A) the amount that—

5 “(i) the additional coverage yield,
6 which shall be equal to the product ob-
7 tained by multiplying—

8 “(I) an amount not less than 50
9 percent nor more than 65 percent, as
10 elected by the producer and specified
11 in 5-percent increments; and

12 “(II) the approved yield for the
13 crop, as determined by the Secretary;
14 exceeds

15 “(ii) the actual yield;

16 “(B) 100 percent of the average market
17 price for the crop, as determined by the Sec-
18 retary; and

19 “(C) a payment rate for the type of crop,
20 as determined by the Secretary, that reflects—

21 “(i) in the case of a crop that is pro-
22 duced with a significant and variable har-
23 vesting expense, the decreasing cost in-
24 curred in the production cycle for the crop
25 that is, as applicable—

1 “(I) harvested;

2 “(II) planted but not harvested;

3 or

4 “(III) prevented from being
5 planted because of drought, flood, or
6 other natural disaster, as determined
7 by the Secretary; or

8 “(ii) in the case of a crop that is pro-
9 duced without a significant and variable
10 harvesting expense, such rate as shall be
11 determined by the Secretary.

12 “(2) SERVICE FEE AND PREMIUM.—To be eligi-
13 ble to receive a payment under this subsection, a
14 producer shall pay—

15 “(A) the service fee required by subsection
16 (k); and

17 “(B) the lesser of—

18 “(i) the sum of the premiums for each
19 eligible crop, with the premium for each el-
20 igible crop obtained by multiplying—

21 “(I) the number of acres devoted
22 to the eligible crop;

23 “(II) the yield, as determined by
24 the Secretary under subsection (e);

1 “(III) the coverage level elected
2 by the producer;

3 “(IV) the average market price,
4 as determined by the Secretary; and

5 “(V) a 5.25-percent premium fee;
6 or

7 “(ii) the product obtained by multi-
8 plying—

9 “(I) a 5.25-percent premium fee;
10 and

11 “(II) the applicable payment
12 limit.

13 “(3) ADDITIONAL AVAILABILITY.—

14 “(A) IN GENERAL.—As soon as practicable
15 after October 1, 2013, the Secretary shall make
16 assistance available to producers of an other-
17 wise eligible crop described in subsection (a)(2)
18 that suffered losses—

19 “(i) to a 2012 annual fruit crop
20 grown on a bush or tree; and

21 “(ii) in a county covered by a declara-
22 tion by the Secretary of a natural disaster
23 for production losses due to a freeze or
24 frost.

1 “(B) ASSISTANCE.—The Secretary shall
2 make assistance available under subparagraph
3 (A) in an amount equivalent to assistance avail-
4 able under paragraph (1), less any fees not pre-
5 viously paid under paragraph (2).

6 “(4) LIMITED RESOURCE, BEGINNING, AND SO-
7 cially disadvantaged farmers.—The coverage
8 made available under this subsection shall be avail-
9 able to limited resource, beginning, and socially dis-
10 advantaged farmers, as determined by the Secretary,
11 in exchange for a premium that is 50 percent of the
12 premium determined under paragraph (2).

13 “(5) EFFECTIVE DATE.—Except as provided in
14 paragraph (3)(A), additional coverage under this
15 subsection shall be available for each of the 2015
16 through 2018 crop years.”.

17 (b) PROHIBITION ON CATASTROPHIC RISK PROTEC-
18 TION.—Section 508(b) of the Federal Crop Insurance Act
19 (7 U.S.C. 1508(b)) is amended by striking paragraph (1)
20 and inserting the following:

21 “(1) COVERAGE AVAILABILITY.—

22 “(A) IN GENERAL.—Except as provided in
23 subparagraph (B), the Corporation shall offer a
24 catastrophic risk protection plan to indemnify
25 producers for crop loss due to loss of yield or

1 prevented planting, if provided by the Corpora-
2 tion, when the producer is unable, because of
3 drought, flood, or other natural disaster (as de-
4 termined by the Secretary), to plant other crops
5 for harvest on the acreage for the crop year.

6 “(B) EXCEPTION.—Coverage described in
7 subparagraph (A) shall not be available for
8 crops and grasses used for grazing.”.

9 **SEC. 12306. ACER ACCESS AND DEVELOPMENT PROGRAM.**

10 (a) GRANTS AUTHORIZED.—The Secretary of Agri-
11 culture may make competitive grants to States, tribal gov-
12 ernments, and research institutions to support the efforts
13 of such States, tribal governments, and research institu-
14 tions to promote the domestic maple syrup industry
15 through the following activities:

16 (1) Promotion of research and education related
17 to maple syrup production.

18 (2) Promotion of natural resource sustainability
19 in the maple syrup industry.

20 (3) Market promotion for maple syrup and
21 maple-sap products.

22 (4) Encouragement of owners and operators of
23 privately held land containing species of trees in the
24 genus *Acer*—

1 (A) to initiate or expand maple-sugaring
2 activities on the land; or

3 (B) to voluntarily make the land available,
4 including by lease or other means, for access by
5 the public for maple-sugaring activities.

6 (b) APPLICATION.—In submitting an application for
7 a competitive grant under this section, a State, tribal gov-
8 ernment, or research institution shall include—

9 (1) a description of the activities to be sup-
10 ported using the grant funds;

11 (2) a description of the benefits that the State,
12 tribal government, or research institution intends to
13 achieve as a result of engaging in such activities;
14 and

15 (3) an estimate of the increase in maple-sug-
16 aring activities or maple syrup production that the
17 State, tribal government, or research institution an-
18 ticipates will occur as a result of engaging in such
19 activities.

20 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
21 tion shall be construed so as to preempt a State or tribal
22 government law, including a State or tribal government
23 liability law.

24 (d) DEFINITION OF MAPLE-SUGARING.—In this sec-
25 tion, the term “maple-sugaring” means the collection of

1 sap from any species of tree in the genus *Acer* for the
2 purpose of boiling to produce food.

3 (e) REGULATIONS.—The Secretary of Agriculture
4 shall promulgate such regulations as are necessary to
5 carry out this section.

6 (f) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this section
8 \$20,000,000 for each of fiscal years 2014 through 2018.

9 **SEC. 12307. SCIENCE ADVISORY BOARD.**

10 Section 8 of the Environmental Research, Develop-
11 ment, and Demonstration Authorization Act of 1978 (42
12 U.S.C. 4365) is amended—

13 (1) by striking subsection (e) and inserting the
14 following:

15 “(e) COMMITTEES.—

16 “(1) MEMBER COMMITTEES.—

17 “(A) IN GENERAL.—The Board is author-
18 ized to establish such member committees and
19 investigative panels as the Administrator and
20 the Board determine to be necessary to carry
21 out this section.

22 “(B) CHAIRMANSHIP.—Each member com-
23 mittee or investigative panel established under
24 this subsection shall be chaired by a member of
25 the Board.

1 “(2) AGRICULTURE-RELATED COMMITTEES.—

2 “(A) IN GENERAL.—The Administrator
3 and the Board—

4 “(i) shall establish a standing agri-
5 culture-related committee; and

6 “(ii) may establish such additional ag-
7 riculture-related committees and investiga-
8 tive panels as the Administrator and the
9 Board determines to be necessary to carry
10 out the duties under subparagraph (C).

11 “(B) MEMBERSHIP.—The standing com-
12 mittee and each agriculture-related committee
13 or investigative panel established under sub-
14 paragraph (A) shall be—

15 “(i) composed of—

16 “(I) such quantity of members as
17 the Administrator and the Board de-
18 termines to be necessary; and

19 “(II) individuals who are not
20 members of the Board on the date of
21 appointment to the committee or in-
22 vestigative panel; and

23 “(ii) appointed by the Administrator
24 and the Board, in consultation with the
25 Secretary of Agriculture.

1 “(C) DUTIES.—The agriculture-related
2 standing committee and each additional com-
3 mittee and investigative panel established under
4 subparagraph (A) shall provide scientific and
5 technical advice to the Board relating to mat-
6 ters referred to the Board that the Adminis-
7 trator and the Board determines, in consulta-
8 tion with the Secretary of Agriculture, to have
9 a significant direct impact on enterprises that
10 are engaged in the business of the production
11 of food and fiber, ranching and raising live-
12 stock, aquaculture, and all other farming- and
13 agriculture-related industries.”; and

14 (2) by adding at the end the following:

15 “(h) PUBLIC PARTICIPATION AND TRANSPARENCY.—
16 The Board shall make every effort, consistent with appli-
17 cable law, including section 552 of title 5, United States
18 Code (commonly known as the ‘Freedom of Information
19 Act’) and section 552a of title 5, United States Code
20 (commonly known as the ‘Privacy Act’), to maximize pub-
21 lic participation and transparency, including making the
22 scientific and technical advice of the Board and any com-
23 mittees or investigative panels of the Board publically
24 available in electronic form on the website of the Environ-
25 mental Protection Agency.

1 “(i) REPORT TO CONGRESS.—The Administrator
2 shall annually report to the Committees on Environment
3 and Public Works and Agriculture of the Senate and the
4 Committees on Transportation and Infrastructure, En-
5 ergy and Commerce, and Agriculture of the House of Rep-
6 resentatives regarding the membership and activities of
7 the standing agriculture-related committee established
8 pursuant to subsection (e)(2)(A)(i).”.

9 **SEC. 12308. AMENDMENTS TO ANIMAL WELFARE ACT.**

10 (a) LICENSING OF DEALERS AND EXHIBITORS.—

11 (1) DEFINITION.—Section 2 of the Animal Wel-
12 fare Act (7 U.S.C. 2132) is amended—

13 (A) in the matter preceding subsection (a),
14 by striking “When used in this Act—” and in-
15 serting “In this Act:”;

16 (B) in subsection (f), by striking “(2) any
17 dog for hunting, security, or breeding purposes”
18 and all that follows through the semicolon at
19 the end and inserting “(2) any dog for hunting,
20 security, or breeding purposes. Such term does
21 not include a retail pet store (other than a re-
22 tail pet store which sells any animals to a re-
23 search facility, an exhibitor, or another deal-
24 er).”;

1 (C) in each of subsections (a), (b), (d), (e),
2 (g), (h), (i), (j), (k), and (m), by striking the
3 semicolon at the end and inserting a period;
4 and

5 (D) in subsection (n), by striking “; and”
6 at the end and inserting a period.

7 (2) LICENSING.—Section 3 of the Animal Wel-
8 fare Act (7 U.S.C. 2133) is amended by striking “:
9 *Provided, however,* That any retail pet store” and all
10 that follows through “under this Act.” and inserting
11 the following “: *Provided, however,* That a dealer or
12 exhibitor shall not be required to obtain a license as
13 a dealer or exhibitor under this Act if the size of the
14 business is determined by the Secretary to be de
15 minimis.”.

16 (b) PROHIBITION ON ATTENDING AN ANIMAL FIGHT
17 OR CAUSING AN INDIVIDUAL WHO HAS NOT ATTAINED
18 THE AGE OF 16 TO ATTEND AN ANIMAL FIGHT; EN-
19 FORCEMENT OF ANIMAL FIGHTING PROVISIONS.—

20 (1) PROHIBITION ON ATTENDING AN ANIMAL
21 FIGHT OR CAUSING AN INDIVIDUAL WHO HAS NOT
22 ATTAINED THE AGE OF 16 TO ATTEND AN ANIMAL
23 FIGHT.—Section 26(a) of the Animal Welfare Act (7
24 U.S.C. 2156(a)) is amended—

1 (A) in the heading, by striking “SPON-
2 SORING OR EXHIBITING AN ANIMAL IN” and in-
3 serting “SPONSORING OR EXHIBITING AN ANI-
4 MAL IN, ATTENDING, OR CAUSING AN INDIVIDUAL WHO HAS NOT ATTAINED THE AGE OF
5 16 TO ATTEND,”; and
6

7 (B) in paragraph (1)—

8 (i) in the heading, by striking “IN
9 GENERAL” and inserting “SPONSORING OR
10 EXHIBITING”; and

11 (ii) by striking “paragraph (2)” and
12 inserting “paragraph (3)”;

13 (iii) by redesignating paragraph (2) as
14 paragraph (3); and

15 (iv) by inserting after paragraph (1)
16 the following:

17 “(2) ATTENDING OR CAUSING AN INDIVIDUAL
18 WHO HAS NOT ATTAINED THE AGE OF 16 TO AT-
19 TEND.—It shall be unlawful for any person to—

20 “(A) knowingly attend an animal fighting
21 venture; or

22 “(B) knowingly cause an individual who
23 has not attained the age of 16 to attend an ani-
24 mal fighting venture.”.

(2) ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS.—Section 49 of title 18, United States Code, is amended—

4 (A) by striking “Whoever” and inserting
5 “(a) IN GENERAL.—Whoever”;

(B) in subsection (a), as designated by
subparagraph (A), by striking “subsection (a),”
and inserting “subsection (a)(1),”; and

9 (C) by adding at the end the following:

10 “(b) ATTENDING AN ANIMAL FIGHTING VENTURE.—
11 Whoever violates subsection (a)(2)(A) of section 26 of the
12 Animal Welfare Act (7 U.S.C. 2156) shall be fined under
13 this title, imprisoned for not more than 1 year, or both,
14 for each violation.

15 “(c) CAUSING AN INDIVIDUAL WHO HAS NOT AT-
16 TAINED THE AGE OF 16 TO ATTEND AN ANIMAL FIGHT-
17 ING VENTURE.—Whoever violates subsection (a)(2)(B) of
18 section 26 (7 U.S.C. 2156) of the Animal Welfare Act
19 shall be fined under this title, imprisoned for not more
20 than 3 years, or both, for each violation.”.

21 SEC. 12309. PRODUCE REPRESENTED AS GROWN IN THE
22 UNITED STATES WHEN IT IS NOT IN FACT
23 GROWN IN THE UNITED STATES.

24 (a) TECHNICAL ASSISTANCE TO CBP.—The Sec-
25 retary of Agriculture shall make available to U.S. Customs

1 and Border Protection technical assistance related to the
2 identification of produce represented as grown in the
3 United States when it is not in fact grown in the United
4 States.

5 (b) REPORT TO CONGRESS.—The Secretary shall
6 submit to the Committee on Agriculture of the House of
7 Representatives and the Committee on Agriculture, Nutri-
8 tion, and Forestry of the Senate a report on produce rep-
9 resented as grown in the United States when it is not in
10 fact grown in the United States.

11 **SEC. 12310. REPORT ON WATER SHARING.**

12 Not later than 120 days after the date of the enact-
13 ment of this Act and annually thereafter, the Secretary
14 of State shall submit to Congress a report on efforts by
15 Mexico to meet its treaty deliveries of water to the Rio
16 Grande in accordance with the Treaty between the United
17 States and Mexico Respecting Utilization of waters of the
18 Colorado and Tijuana Rivers and of the Rio Grande (done
19 at Washington, February 3, 1944).

20 **SEC. 12311. SCIENTIFIC AND ECONOMIC ANALYSIS OF THE**
21 **FDA FOOD SAFETY MODERNIZATION ACT.**

22 (a) IN GENERAL.—When publishing a final rule with
23 respect to “Standards for the Growing, Harvesting, Pack-
24 ing, and Holding of Produce for Human Consumption”
25 published by the Department of Health and Human Serv-

ices on January 16, 2013 (78 Fed. Reg. 3504), the Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall ensure that the final rule (referred to in this section as the “final rule”) includes the following information:

(1) An analysis of the scientific information used to promulgate the final rule, taking into consideration any information about farming and ranching operations of a variety of sizes, with regional differences, and that have a diversity of production practices and methods.

(2) An analysis of the economic impact of the final rule.

(3) A plan to systematically—

(A) evaluate the impact of the final rule on farming and ranching operations; and

(B) develop an ongoing process to evaluate and respond to business concerns.

(b) REPORT.—Not later than 1 year after the date on which the Secretary promulgates the final rule referred to in subsection (a), the Comptroller General of the United States shall submit to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Health, Education, and Labor of the Senate and the Committee on Agriculture and the Committee on Energy and Commerce

1 of the House of Representatives a report on the effective-
2 ness of the ongoing evaluation and response process re-
3 ferred to in subsection (a)(3)(B). Not later than one year
4 after the date on which such report is submitted, the
5 Comptroller General of the United States shall submit to
6 such committees an updated report on such process.

7 **SEC. 12312. PAYMENT IN LIEU OF TAXES.**

8 Section 6906 of title 31, United States Code, is
9 amended, in the matter preceding paragraph (1), by strik-
10 ing “2013” and inserting “2014”.

11 **SEC. 12313. SILVICULTURAL ACTIVITIES.**

12 Section 402(l) of the Federal Water Pollution Control
13 Act (33 U.S.C. 1342(l)) is amended by adding at the end
14 the following:

15 “(3) SILVICULTURAL ACTIVITIES.—

16 “(A) NPDES PERMIT REQUIREMENTS FOR
17 SILVICULTURAL ACTIVITIES.—The Adminis-
18 trator shall not require a permit under this sec-
19 tion nor directly or indirectly require any State
20 to require a permit under this section for a dis-
21 charge from runoff resulting from the conduct
22 of the following silviculture activities conducted
23 in accordance with standard industry practice:
24 nursery operations, site preparation, reforest-
25 ation and subsequent cultural treatment,

1 thinning, prescribed burning, pest and fire con-
2 trol, harvesting operations, surface drainage, or
3 road construction and maintenance.

4 “(B) OTHER REQUIREMENTS.—Nothing in
5 this paragraph exempts a discharge from sil-
6 vicultural activity from any permitting require-
7 ment under section 404, existing permitting re-
8 quirements under section 402, or from any
9 other federal law.

10 “(C) The authorization provided in Section
11 505(a) does not apply to any non-permitting
12 program established under 402(p)(6) for the
13 silviculture activities listed in 402(l)(3)(A), or
14 to any other limitations that might be deemed
15 to apply to the silviculture activities listed in
16 402(l)(3)(A).”.

17 **SEC. 12314. PIMA AGRICULTURE COTTON TRUST FUND.**

18 (a) ESTABLISHMENT OF TRUST FUND.—There is es-
19 tablished in the Treasury of the United States a trust fund
20 to be known as the “Pima Agriculture Cotton Trust
21 Fund” (in this section referred to as the “Trust Fund”),
22 consisting of such amounts as may be transferred to the
23 Trust Fund pursuant to subsection (h), and to be used
24 for the purpose of reducing the injury to domestic manu-
25 facturers resulting from tariffs on cotton fabric that are

1 higher than tariffs on certain apparel articles made of cot-
2 ton fabric.

3 (b) DISTRIBUTION OF FUNDS.—From amounts in
4 the Trust Fund, the Secretary shall make payments annu-
5 ally beginning in calendar year 2014 for calendar years
6 2014 through 2018 as follows:

7 (1) Twenty-five percent of the amounts in the
8 Trust Fund shall be paid to one or more nationally
9 recognized associations established for the promotion
10 of pima cotton for use in textile and apparel goods.

11 (2) Twenty-five percent of the amounts in the
12 Trust Fund shall be paid to yarn spinners of pima
13 cotton that produce ring spun cotton yarns in the
14 United States, to be allocated to each spinner in an
15 amount that bears the same ratio as—

16 (A) the spinner's production of ring spun
17 cotton yarns, measuring less than 83.33 decitex
18 (exceeding 120 metric number) from pima cot-
19 ton in single and plied form during calendar
20 year 2013 (as evidenced by an affidavit pro-
21 vided by the spinner that meets the require-
22 ments of subsection (c)), bears to—

23 (B) the production of the yarns described
24 in subparagraph (A) during calendar year 2013

1 for all spinners who qualify under this para-
2 graph.

3 (3) Fifty percent of the amounts in the Trust
4 Fund shall be paid to manufacturers who cut and
5 sew cotton shirts in the United States who certify
6 that they used imported cotton fabric during cal-
7 endar year 2013, to be allocated to each such manu-
8 facturer in an amount that bears the same ratio
9 as—

10 (A) the dollar value (excluding duty, ship-
11 ping, and related costs) of imported woven cot-
12 ton shirting fabric of 80s or higher count and
13 2-ply in warp purchased by the manufacturer
14 during calendar year 2013 (as evidenced by an
15 affidavit provided by the manufacturer that
16 meets the requirements of subsection (d)) used
17 in the manufacturing of men's and boys' cotton
18 shirts, bears to—

19 (B) the dollar value (excluding duty, ship-
20 ping, and related costs) of the fabric described
21 in subparagraph (A) purchased during calendar
22 year 2013 by all manufacturers who qualify
23 under this paragraph.

24 (c) AFFIDAVIT OF YARN SPINNERS.—The affidavit
25 required by subsection (b)(2)(A) is a notarized affidavit

1 provided annually by an officer of a producer of ring spun
2 yarns that affirms—

3 (1) that the producer used pima cotton during
4 the year in which the affidavit is filed and during
5 calendar year 2013 to produce ring spun cotton
6 yarns in the United States, measuring less than
7 83.33 decitex (exceeding 120 metric number), in sin-
8 gle and plied form;

9 (2) the quantity, measured in pounds, of ring
10 spun cotton yarns, measuring less than 83.33
11 decitex (exceeding 120 metric number), in single and
12 plied form during calendar year 2013; and

13 (3) that the producer maintains supporting doc-
14 umentation showing the quantity of such yarns pro-
15 duced, and evidencing the yarns as ring spun cotton
16 yarns, measuring less than 83.33 decitex (exceeding
17 120 metric number), in single and plied form during
18 calendar year 2013.

19 (d) AFFIDAVIT OF SHIRTING MANUFACTURERS.—

20 (1) IN GENERAL.—The affidavit required by
21 subsection (b)(3)(A) is a notarized affidavit provided
22 annually by an officer of a manufacturer of men's
23 and boys' shirts that affirms—

24 (A) that the manufacturer used imported
25 cotton fabric during the year in which the affi-

1 davit is filed and during calendar year 2013, to
2 cut and sew men's and boys' woven cotton
3 shirts in the United States;

4 (B) the dollar value of imported woven cot-
5 ton shirting fabric of 80s or higher count and
6 2-ply in warp purchased by the manufacturer
7 during calendar year 2013;

8 (C) that the manufacturer maintains in-
9 voices along with other supporting documenta-
10 tion (such as price lists and other technical de-
11 scriptions of the fabric qualities) showing the
12 dollar value of such fabric purchased, the date
13 of purchase, and evidencing the fabric as woven
14 cotton fabric of 80s or higher count and 2-ply
15 in warp; and

16 (D) that the fabric was suitable for use in
17 the manufacturing of men's and boys' cotton
18 shirts.

19 (2) DATE OF PURCHASE.—For purposes of the
20 affidavit under paragraph (1), the date of purchase
21 shall be the invoice date, and the dollar value shall
22 be determined excluding duty, shipping, and related
23 costs.

24 (e) FILING DEADLINE FOR AFFIDAVITS.—Any per-
25 son required to provide an affidavit under this section

1 shall file the affidavit with the Secretary or as directed
2 by the Secretary—

3 (1) in the case of an affidavit required for cal-
4 endar year 2014, not later than 60 days after the
5 date of the enactment of this Act; and

6 (2) in the case of an affidavit required for any
7 of calendar years 2015 through 2018, not later than
8 March 15 of that calendar year.

9 (f) TIMING OF DISTRIBUTIONS.—The Secretary shall
10 make a payment under paragraph (2) or (3) of subsection
11 (b)—

12 (1) for calendar year 2014—

13 (A) not later than the date that is 30 days
14 after the filing of the affidavit required with re-
15 spect to that payment; or

16 (B) if the Secretary is unable to make the
17 payment by the date described in subparagraph
18 (A), as soon as practicable thereafter; and

19 (2) for calendar years 2015 through 2018, not
20 later than the date that is 30 days after the filing
21 of the affidavit required with respect to that pay-
22 ment.

23 (g) MEMORANDUM OF UNDERSTANDING.—The Sec-
24 retary and the Commissioner responsible for U.S. Cus-
25 toms and Border Protection shall, as soon as practicable

1 after the date of the enactment of this Act, negotiate a
2 memorandum of understanding to establish procedures
3 pursuant to which the Commissioner will assist the Sec-
4 retary in carrying out the provisions of this section.

5 (h) FUNDING.—Of the funds of the Commodity Cred-
6 it Corporation, the Secretary shall transfer to the Trust
7 Fund \$16,000,000 for each of calendar years 2014
8 through 2018, to remain available until expended.

9 **SEC. 12315. AGRICULTURE WOOL APPAREL MANUFACTUR-**
10 **ERS TRUST FUND.**

11 (a) ESTABLISHMENT OF TRUST FUND.—There is es-
12 tablished in the Treasury of the United States a trust fund
13 to be known as the “Agriculture Wool Apparel Manufac-
14 turers Trust Fund” (in this section referred to as the
15 “Trust Fund”), consisting of such amounts as may be
16 transferred to the Trust Fund pursuant to subsection (f),
17 and to be used for the purpose of reducing the injury to
18 domestic manufacturers resulting from tariffs on wool fab-
19 ric that are higher than tariffs on certain apparel articles
20 made of wool fabric.

21 (b) DISTRIBUTION OF FUNDS.—

22 (1) IN GENERAL.—From amounts in the Trust
23 Fund, the Secretary may make payments annually
24 beginning in calendar year 2014 for calendar years
25 2010 through 2019 as follows:

1 (A) To each eligible manufacturer under
2 paragraph (3) of section 4002(c) of the Wool
3 Suit and Textile Trade Extension Act of 2004
4 (Public Law 108–429; 118 Stat. 2600), as
5 amended by section 1633(c) of the Miscella-
6 neous Trade and Technical Corrections Act of
7 2006 (Public Law 109–280; 120 Stat. 1166)
8 and section 325(b) of the Tax Extenders and
9 Alternative Minimum Tax Relief Act of 2008
10 (division C of Public Law 110–343; 122 Stat.
11 3875), and any successor-in-interest to such a
12 manufacturer as provided for under paragraph
13 (4) of such section 4002(c), that submits an af-
14 fidavit in accordance with paragraph (2) for the
15 year of the payment—

16 (i) for calendar years 2010 through
17 2015, payments that, when added to any
18 other payments made to the manufacturer
19 or successor-in-interest under paragraph
20 (3) of such section 4002(c) in such cal-
21 endar years, equal the total amount of pay-
22 ments authorized to be provided to the
23 manufacturer or successor-in-interest
24 under that paragraph, or the provisions of
25 this section, in such calendar years; and

1 (ii) for calendar years 2016 through
2 2019, payments in amounts authorized
3 under that paragraph.

4 (B) To each eligible manufacturer under
5 paragraph (6) of such section 4002(c)—

6 (i) for calendar years 2010 through
7 2014, payments that, when added to any
8 other payments made to eligible manufac-
9 turers under that paragraph in such cal-
10 endar years, equal the total amount of pay-
11 ments authorized to be provided to the
12 manufacturer under that paragraph, or the
13 provisions of this section, in such calendar
14 years; and

15 (ii) for calendar years 2015 through
16 2019, payments in amounts authorized
17 under that paragraph.

18 (2) SUBMISSION OF AFFIDAVITS.—An affidavit
19 required by paragraph (1)(A) shall be submitted—

20 (A) in each of calendar years 2010 through
21 2015, to the Commissioner responsible for U.S.
22 Customs and Border Protection not later than
23 April 15; and

1 (B) in each of calendar years 2016
2 through 2019, to the Secretary, or as directed
3 by the Secretary, and not later than March 1.

4 (c) PAYMENT OF AMOUNTS.—The Secretary shall
5 make payments to eligible manufacturers and successors-
6 in-interest described in paragraphs (1) and (2) of sub-
7 section (b)—

8 (1) for calendar years 2010 through 2014, not
9 later than 30 days after the transfer of amounts
10 from the Commodity Credit Corporation to the
11 Trust Fund under subsection (f); and

12 (2) for calendar years 2015 through 2019, not
13 later than April 15 of the year of the payment.

14 (d) MEMORANDA OF UNDERSTANDING.—The Sec-
15 retary shall, as soon as practicable after the date of the
16 enactment of this Act, negotiate memoranda of under-
17 standing with the Commissioner responsible for U.S. Cus-
18 toms and Border Protection and the Secretary of Com-
19 merce to establish procedures pursuant to which the Com-
20 missioner and the Secretary of Commerce will assist in
21 carrying out the provisions of this section.

22 (e) INCREASE IN PAYMENTS IN THE EVENT OF EXPI-
23 RATION OF DUTY SUSPENSIONS.—

24 (1) IN GENERAL.—In any calendar year in
25 which the suspension of duty on wool fabrics pro-

1 vided for under headings 9902.51.11, 9902.51.13,
2 9902.51.14, 9902.51.15, and 9902.51.16 of the
3 Harmonized Tariff Schedule of the United States
4 are not in effect, the amount of any payment de-
5 scribed in subsection (b)(1) to a manufacturer or
6 successor-in-interest shall be increased by an amount
7 the Secretary, after consultation with the Secretary
8 of Commerce, determines is equal to the amount the
9 manufacturer or successor-in-interest would have
10 saved during the calendar year of the payment if the
11 suspension of duty on wool fabrics were in effect.

12 (2) NO APPEAL OF DETERMINATIONS.—A de-
13 termination of the Secretary under this subsection
14 shall be final and not subject to appeal or protest.

15 (f) FUNDING.—

16 (1) IN GENERAL.—Of the funds of the Com-
17 modity Credit Corporation, the Secretary shall
18 transfer to the Trust Fund for each of calendar
19 years 2014 through 2019 an amount equal to the
20 lesser of—

21 (A) the amount the Secretary determines
22 to be necessary to make payments required by
23 this section in that calendar year; or

24 (B) \$30,000,000.

1 (2) AVAILABILITY.—Amounts transferred to the
2 Trust Fund under paragraph (1) shall remain avail-
3 able until expended.

4 **SEC. 12316. WOOL RESEARCH AND PROMOTION.**

5 (a) IN GENERAL.—Of the funds of the Commodity
6 Credit Corporation, the Secretary shall use to provide
7 grants described in section 506(d) of the Trade and Devel-
8 opment Act of 2000 (7 U.S.C. 7101 note) \$2,250,000 for
9 each of calendar years 2015 through 2019, to remain
10 available until expended.

11 (b) AUTHORIZATION TO DISTRIBUTE UNEXPENDED
12 BALANCE.—In addition to funds made available under
13 subsection (a) and notwithstanding subsection (f) of sec-
14 tion 506 of the Trade and Development Act of 2000 (7
15 U.S.C. 7101 note), the Secretary may use any unexpended
16 balances remaining in the Wool Research, Development,
17 and Promotion Trust Fund established under that section
18 as of December 31, 2014, to provide grants described in
19 subsection (d) of that section.

1 **Subtitle D—Oilheat Efficiency, Re-**
2 **newable Fuel Research and**
3 **Jobs Training**

4 **SEC. 12401. SHORT TITLE.**

5 This subtitle may be cited as the “Oilheat Efficiency,
6 Renewable Fuel Research and Jobs Training Act of
7 2014”.

8 **SEC. 12402. FINDINGS AND PURPOSES.**

9 Section 702 of the National Oilheat Research Alli-
10 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
11 469) is amended—

12 (1) in paragraph (4), by striking “and” after
13 the semicolon at the end;

14 (2) by striking the period at the end and insert-
15 ing a semicolon; and

16 (3) by adding at the end the following:

17 “(6) consumers of oilheat fuel are provided
18 service by thousands of small businesses that are un-
19 able to individually develop training programs to fa-
20 cilitate the entry of new and qualified workers into
21 the oilheat fuel industry;

22 “(7) small businesses and trained employees are
23 in an ideal position—

24 “(A) to provide information to consumers
25 about the benefits of improved efficiency; and

1 “(B) to encourage consumers to value effi-
2 ciency in energy choices and assist individuals
3 in conserving energy;

4 “(8) additional research is necessary—

5 “(A) to improve oilheat fuel equipment;
6 and

7 “(B) to develop domestic renewable re-
8 sources that can be used to safely and
9 affordably heat homes;

10 “(9) since there are no Federal resources avail-
11 able to assist the oilheat fuel industry, it is nec-
12 essary and appropriate to develop a self-funded pro-
13 gram dedicated—

14 “(A) to improving efficiency in customer
15 homes;

16 “(B) to assist individuals to gain employ-
17 ment in the oilheat fuel industry; and

18 “(C) to develop domestic renewable re-
19 sources;

20 “(10) both consumers of oilheat fuel and retail-
21 ers would benefit from the self-funded program; and

22 “(11) the oilheat fuel industry is committed to
23 providing appropriate funding necessary to carry out
24 the purposes of this title without passing additional
25 costs on to residential consumers.”.

1 **SEC. 12403. DEFINITIONS.**

2 (a) IN GENERAL.—Section 703 of the National
3 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
4 note; Public Law 106–469) is amended—

5 (1) by redesignating paragraphs (3) through
6 (15) as paragraphs (4) through (16), respectively;

7 (2) by inserting after paragraph (2) the fol-
8 lowing:

9 “(3) COST-EFFECTIVE.—The term ‘cost-effec-
10 tive’, with respect to a program or activity carried
11 out under section 707(f)(4), means that the program
12 or activity meets a total resource cost test under
13 which—

14 “(A) the net present value of economic
15 benefits over the life of the program or activity,
16 including avoided supply and delivery costs and
17 deferred or avoided investments; is greater than

18 “(B) the net present value of the economic
19 costs over the life of the program or activity, in-
20 cluding program costs and incremental costs
21 borne by the energy consumer.”; and

22 (3) by striking paragraph (8) (as redesignated
23 in paragraph (1)) and inserting the following:

24 “(8) OILHEAT FUEL.—The term ‘oilheat fuel’
25 means fuel that—

26 “(A) is—

- 1 “(i) No. 1 distillate;
2 “(ii) No. 2 dyed distillate;
3 “(iii) a liquid blended with No. 1 dis-
4 tillate or No. 2 dyed distillate; or
5 “(iv) a biobased liquid; and
6 “(B) is used as a fuel for nonindustrial
7 commercial or residential space or hot water
8 heating.”.

9 (b) CONFORMING AMENDMENTS.—

10 (1) The National Oilheat Research Alliance Act
11 of 2000 (42 U.S.C. 6201 note; Public Law 106–
12 469) is amended by striking “oilheat” each place it
13 appears and inserting “oilheat fuel”.

14 (2) Section 704(d) of the National Oilheat Re-
15 search Alliance Act of 2000 (42 U.S.C. 6201 note;
16 Public Law 106–469) is amended in the subsection
17 heading by striking “OILHEAT” and inserting
18 “OILHEAT FUEL”.

19 (3) Section 706(c)(2) of the National Oilheat
20 Research Alliance Act of 2000 (42 U.S.C. 6201
21 note; Public Law 106–469) is amended in the para-
22 graph heading by striking “OILHEAT” and inserting
23 “OILHEAT FUEL”.

24 (4) Section 707(c) of the National Oilheat Re-
25 search Alliance Act of 2000 (42 U.S.C. 6201 note;

1 Public Law 106–469) is amended in the subsection
2 heading by striking “OILHEAT” and inserting
3 “OILHEAT FUEL”.

4 **SEC. 12404. MEMBERSHIP.**

5 (a) SELECTION.—Section 705 of the National Oilheat
6 Research Alliance Act of 2000 (42 U.S.C. 6201 note; Pub-
7 lic Law 106–469) is amended by striking subsection (a)
8 and inserting the following:

9 “(a) SELECTION.—

10 “(1) LIST.—

11 “(A) IN GENERAL.—The Alliance shall
12 provide to the Secretary a list of qualified nomi-
13 nees for membership in the Alliance.

14 “(B) REQUIREMENT.—Except as provided
15 in subsection (c)(1)(C), members of the Alliance
16 shall be representatives of the oilheat fuel in-
17 dustry in a State, selected from a list of nomi-
18 nees submitted by the qualified State associa-
19 tion in the State.

20 “(2) VACANCIES.—A vacancy in the Alliance
21 shall be filled in the same manner as the original se-
22 lection.

23 “(3) SECRETARIAL ACTION.—

1 “(A) IN GENERAL.—The Secretary shall
2 have 60 days to review nominees provided
3 under paragraph (1).

4 “(B) FAILURE TO ACT.—If the Secretary
5 takes no action during the 60-day period de-
6 scribed in subparagraph (A), the nominees shall
7 be considered to be members of the Alliance.”.

8 (b) REPRESENTATION.—Section 705(b) of the Na-
9 tional Oilheat Research Alliance Act of 2000 (42 U.S.C.
10 6201 note; Public Law 106–469) is amended in the matter
11 preceding paragraph (1) by striking “qualified industry
12 organization” and inserting “Alliance”.

13 (c) NUMBER OF MEMBERS.—Section 705(c) of the
14 National Oilheat Research Alliance Act of 2000 (42
15 U.S.C. 6201 note; Public Law 106–469) is amended—

16 (1) by striking paragraph (1) and inserting the
17 following:

18 “(1) IN GENERAL.—The Alliance shall be com-
19 posed of the following members:

20 “(A) 1 member representing each State
21 participating in the Alliance.

22 “(B) 5 representatives of retail marketers,
23 of whom 1 shall be selected by each of the
24 qualified State associations of the 5 States with
25 the highest volume of annual oilheat fuel sales.

1 “(C) 5 additional representatives of retail
2 marketers.

3 “(D) 21 representatives of wholesale dis-
4 tributors.

5 “(E) 6 public members, who shall be rep-
6 resentatives of significant users of oilheat fuel,
7 the oilheat fuel research community, State en-
8 ergy officials, or other groups with expertise in
9 oilheat fuel, including consumer and low-income
10 advocacy groups.”; and

11 (2) in paragraph (2), by striking “the qualified
12 industry organization or”.

13 **SEC. 12405. FUNCTIONS.**

14 (a) RENEWABLE FUEL RESEARCH.—Section
15 706(a)(3)(B)(i)(I) of the National Oilheat Research Alli-
16 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
17 469) is amended by inserting before the semicolon at the
18 end the following: “, including research to develop renew-
19 able fuels and to examine the compatibility of different
20 renewable fuels with oilheat fuel utilization equipment,
21 with priority given to research on the development and use
22 of advanced biofuels”.

23 (b) BIENNIAL BUDGETS.—Section 706(e) of the Na-
24 tional Oilheat Research Alliance Act of 2000 (42 U.S.C.
25 6201 note; Public Law 106–469) is amended—

1 (1) by striking paragraph (1) and inserting the
2 following:

3 “(1) PUBLICATION OF PROPOSED BUDGET.—
4 Not later than August 1, 2014, and every 2 years
5 thereafter, the Alliance shall, in consultation with
6 the Secretary, develop and publish for public review
7 and comment a proposed biennial budget for the
8 next 2 calendar years, including the probable oper-
9 ating and planning costs of all programs, projects,
10 and contracts and other agreements.”; and

11 (2) by striking paragraph (4) and inserting the
12 following:

13 “(4) IMPLEMENTATION.—

14 “(A) IN GENERAL.—The Alliance shall not
15 implement a proposed budget until the expira-
16 tion of 60 days after submitting the proposed
17 budget to the Secretary.

18 “(B) RECOMMENDATIONS FOR CHANGES
19 BY SECRETARY.—

20 “(i) IN GENERAL.—The Secretary
21 may recommend to the Alliance changes to
22 the budget programs and activities of the
23 Alliance that the Secretary considers ap-
24 propriate.

1 “(ii) RESPONSE BY ALLIANCE.—Not
2 later than 30 days after the receipt of any
3 recommendations made under clause (i),
4 the Alliance shall submit to the Secretary
5 a final budget for the next 2 calendar
6 years that incorporates or includes a de-
7 scription of the response of the Alliance to
8 any changes recommended under clause
9 (i).”.

10 **SEC. 12406. ASSESSMENTS.**

11 (a) IN GENERAL.—Section 707 of the National
12 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
13 note; Public Law 106–469) is amended—

14 (1) by striking subsection (a) and inserting the
15 following:

16 “(a) RATE.—The assessment rate shall be equal to
17 $\frac{2}{10}$ of 1 cent per gallon of oilheat fuel.”; and

18 (2) in subsection (b), by adding at the end the
19 following:

20 “(8) PROHIBITION ON PASS THROUGH.—None
21 of the assessments collected under this title may be
22 passed through or otherwise required to be paid by
23 residential consumers of oilheat fuel.”.

24 (b) FUNDS MADE AVAILABLE TO QUALIFIED STATE
25 ASSOCIATIONS.—Section 707(e)(2) of the National

1 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
2 note; Public Law 106–469) is amended by adding at the
3 end the following:

4 “(B) SEPARATE ACCOUNTS.—As a condi-
5 tion of receipt of funds made available to a
6 qualified State association under this title, the
7 qualified State association shall deposit the
8 funds in an account that is separate from other
9 funds of the qualified State association.”.

10 (c) ADMINISTRATION.—Section 707 of the National
11 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
12 note; Public Law 106–469) is amended by adding at the
13 end the following:

14 “(f) USE OF ASSESSMENTS.—

15 “(1) IN GENERAL.—Notwithstanding any other
16 provision of this title, the Secretary and the Alliance
17 shall ensure that assessments collected for each cal-
18 endar year under this title are allocated and used in
19 accordance with this subsection.

20 “(2) RESEARCH, DEVELOPMENT, AND DEM-
21 ONSTRATION.—

22 “(A) IN GENERAL.—The Alliance shall en-
23 sure that not less than 30 percent of the assess-
24 ments collected for each calendar year under
25 this title are used by qualified State associa-

1 tions or the Alliance to conduct research, devel-
2 opment, and demonstration activities relating to
3 oilheat fuel, including the development of en-
4 ergy-efficient heating and the transition and fa-
5 cilitation of the entry of energy efficient heating
6 systems into the marketplace.

7 “(B) COORDINATION.—The Alliance shall
8 coordinate with the Secretary to develop prior-
9 ities for the use of assessments under this para-
10 graph.

11 “(C) PLAN.—The Alliance shall develop a
12 coordinated research plan to carry out research
13 programs and activities under this section.

14 “(D) REPORT.—

15 “(i) IN GENERAL.—No later than 1
16 year after the date of enactment of this
17 subsection, the Alliance shall prepare a re-
18 port on the use of biofuels in oilheat fuel
19 utilization equipment.

20 “(ii) CONTENTS.—The report required
21 under clause (i) shall—

22 “(I) provide information on the
23 environmental benefits, economic ben-
24 efits, and any technical limitations on

1 the use of biofuels in oilheat fuel utili-
2 zation equipment; and

3 “(II) describe market acceptance
4 of the fuel, and information on State
5 and local governments that are en-
6 couraging the use of biofuels in
7 oilheat fuel utilization equipment.

8 “(iii) COPIES.—The Alliance shall
9 submit a copy of the report required under
10 clause (i) to—

11 “(I) Congress;

12 “(II) the Governor of each State,
13 and other appropriate State leaders,
14 in which the Alliance is operating; and

15 “(III) the Administrator of the
16 Environmental Protection Agency.

17 “(E) CONSUMER EDUCATION MATE-
18 RIALS.—The Alliance, in conjunction with an
19 institution or organization engaged in biofuels
20 research, shall develop consumer education ma-
21 terials describing the benefits of using biofuels
22 as or in oilheat fuel based on the technical in-
23 formation developed in the report required
24 under subparagraph (D) and other information
25 generally available.

1 “(3) COST SHARING.—

2 “(A) IN GENERAL.—In carrying out a re-
3 search, development, demonstration, or com-
4 mercial application program or activity that is
5 commenced after the date of enactment of this
6 subsection, the Alliance shall require cost-shar-
7 ing in accordance with this section.

8 “(B) RESEARCH AND DEVELOPMENT.—

9 “(i) IN GENERAL.—Except as pro-
10 vided in clauses (ii) and (iii), the Alliance
11 shall require that not less than 20 percent
12 of the cost of a research or development
13 program or activity described in subpara-
14 graph (A) to be provided by a source other
15 than the Alliance.

16 “(ii) EXCLUSION.—Clause (i) shall
17 not apply to a research or development
18 program or activity described in subpara-
19 graph (A) that is of a basic or funda-
20 mental nature, as determined by the Alli-
21 ance.

22 “(iii) REDUCTION.—The Alliance may
23 reduce or eliminate the requirement of
24 clause (i) for a research and development
25 program or activity of an applied nature if

1 the Alliance determines that the reduction
2 is necessary and appropriate.

3 “(C) DEMONSTRATION AND COMMERCIAL
4 APPLICATION.—The Alliance shall require that
5 not less than 50 percent of the cost of a dem-
6 onstration or commercial application program
7 or activity described in subparagraph (A) to be
8 provided by a source other than the Alliance.

9 “(4) HEATING OIL EFFICIENCY AND UPGRADE
10 PROGRAM.—

11 “(A) IN GENERAL.—The Alliance shall en-
12 sure that not less than 15 percent of the assess-
13 ments collected for each calendar year under
14 this title are used by qualified State associa-
15 tions or the Alliance to carry out programs to
16 assist consumers—

17 “(i) to make cost-effective upgrades to
18 more fuel efficient heating oil systems or
19 otherwise make cost-effective modifications
20 to an existing heating system to improve
21 the efficiency of the system;

22 “(ii) to improve energy efficiency or
23 reduce energy consumption through cost-
24 effective energy efficiency programs for
25 consumers; or

1 “(iii) to improve the safe operation of
2 a heating system.

3 “(B) PLAN.—The Alliance shall, to the
4 maximum extent practicable, coordinate, de-
5 velop, and implement the programs and activi-
6 ties of the Alliance in conjunction with existing
7 State energy efficiency program administrators.

8 “(C) ADMINISTRATION.—

9 “(i) IN GENERAL.—In carrying out
10 this paragraph, the Alliance shall, to the
11 maximum extent practicable, ensure that
12 heating system conversion assistance is co-
13 ordinated with, and developed after con-
14 sultation with, persons or organizations re-
15 sponsible for administering—

16 “(I) the low-income home energy
17 assistance program established under
18 the Low-Income Home Energy Assist-
19 ance Act of 1981 (42 U.S.C. 8621 et
20 seq.);

21 “(II) the Weatherization Assist-
22 ance Program for Low-Income Per-
23 sons established under part A of title
24 IV of the Energy Conservation and

1 Production Act (42 U.S.C. 6861 et
2 seq.); or

3 “(III) other energy efficiency
4 programs administered by the State
5 or other parties in the State.

6 “(ii) DISTRIBUTION OF FUNDS.—The
7 Alliance shall ensure that funds distributed
8 to carry out this paragraph are—

9 “(I) distributed equitably to
10 States based on the proportional con-
11 tributions of the States through col-
12 lected assessments;

13 “(II) used to supplement (and
14 not supplant) State or alternative
15 sources of funding for energy effi-
16 ciency programs; and

17 “(III) used only to carry out this
18 paragraph.

19 “(5) CONSUMER EDUCATION, SAFETY, AND
20 TRAINING.—The Alliance shall ensure that not more
21 than 30 percent of the assessments collected for
22 each calendar year under this title are used—

23 “(A) to conduct consumer education activi-
24 ties relating to oilheat fuel, including providing
25 information to consumers on—

1 “(i) energy conservation strategies;

2 “(ii) safety;

3 “(iii) new technologies that reduce
4 consumption or improve safety and com-
5 fort;

6 “(iv) the use of biofuels blends; and

7 “(v) Federal, State, and local pro-
8 grams designed to assist oilheat fuel con-
9 sumers;

10 “(B) to conduct worker safety and training
11 activities relating to oilheat fuel, including en-
12 ergy efficiency training (including classes to ob-
13 tain Building Performance Institute or Residen-
14 tial Energy Services Network certification);

15 “(C) to carry out other activities rec-
16 ommended by the Secretary; or

17 “(D) to the maximum extent practicable, a
18 data collection process established, in collabora-
19 tion with the Secretary or other appropriate
20 Federal agencies, to track equipment, service,
21 and related safety issues and to develop meas-
22 ures to improve safety.

23 “(6) ADMINISTRATIVE COSTS.—

24 “(A) IN GENERAL.—The Alliance shall en-
25 sure that not more than 5 percent of the as-

1 sessments collected for each calendar year
2 under this title are used for—

3 “(i) administrative costs; or

4 “(ii) indirect costs incurred in car-
5 rying out paragraphs (1) through (5).

6 “(B) ADMINISTRATION.—Activities under
7 this section shall be documented pursuant to a
8 transparent process and procedures developed
9 in coordination with the Secretary.

10 “(7) REPORTS.—

11 “(A) ANNUAL REPORTS.—

12 “(i) IN GENERAL.—Each qualified
13 State association or the Alliance shall pre-
14 pare an annual report describing he devel-
15 opment and administration of this section,
16 and yearly expenditures under this section.

17 “(ii) CONTENTS.—Each report re-
18 quired under clause (i) shall include a de-
19 scription of the use of proceeds under this
20 section, including a description of—

21 “(I) advancements made in en-
22 ergy-efficient heating systems and
23 biofuel heating oil blends; and

24 “(II) heating system upgrades
25 and modifications and energy effi-

1 ciency programs funded under this
2 section.

3 “(iii) VERIFICATION.—

4 “(I) IN GENERAL.—The Alliance
5 shall ensure that an independent
6 third-party reviews each report de-
7 scribed in clause (i) and verifies the
8 accuracy of the report.

9 “(II) COUNCILS.—If a State has
10 a stakeholder efficiency oversight
11 council, the council shall be the entity
12 that reviews and verifies the report of
13 the State association or Alliance for
14 the State under clause (i).

15 “(B) REPORTS ON HEATING OIL EFFI-
16 CIENCY AND UPGRADE PROGRAM.—At least
17 once every 3 years, the Alliance shall prepare a
18 detailed report describing the consumer savings,
19 cost-effectiveness of, and the lifetime and an-
20 nual energy savings achieved by heating system
21 upgrades and modifications and energy effi-
22 ciency programs funded under paragraph (4).

23 “(C) AVAILABILITY.—Each report, and
24 any subsequent changes to the report, described
25 in this paragraph shall be made publically avail-

1 able, with notice of availability provided to the
2 Secretary, and posted on the website of the Alli-
3 ance.”.

4 **SEC. 12407. MARKET SURVEY AND CONSUMER PROTEC-**
5 **TION.**

6 Section 708 of the National Oilheat Research Alli-
7 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
8 469) is repealed.

9 **SEC. 12408. LOBBYING RESTRICTIONS.**

10 Section 710 of the National Oilheat Research Alli-
11 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
12 469) is amended—

13 (1) by striking “No funds” and inserting the
14 following:

15 “(a) IN GENERAL.—No funds”;

16 (2) by inserting “or to lobby” after “elections”;
17 and

18 (3) by adding at the end the following:

19 “(b) ASSESSMENTS.—

20 “(1) IN GENERAL.—Subject to paragraph (2),
21 no funds derived from assessments collected by the
22 Alliance under section 707 shall be used, directly or
23 indirectly, to influence Federal, State, or local legis-
24 lation or elections, or the manner of administering
25 of a law.

1 “(2) INFORMATION.—The Alliance may use
2 funds described in paragraph (1) to provide informa-
3 tion requested by a Member of Congress, or an offi-
4 cial of any Federal, State, or local agency, in the
5 course of the official business of the Member or offi-
6 cial.”.

7 **SEC. 12409. NONCOMPLIANCE.**

8 Section 712 of the National Oilheat Research Alli-
9 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
10 469) is amended by adding at the end the following:

11 “(g) NONCOMPLIANCE.—If the Alliance, a qualified
12 State association, or any other entity or person violates
13 this title, the Secretary shall—

14 “(1) notify Congress of the noncompliance; and

15 “(2) provide notice of the noncompliance on the
16 Alliance website.”.

17 **SEC. 12410. SUNSET.**



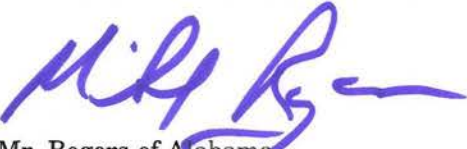


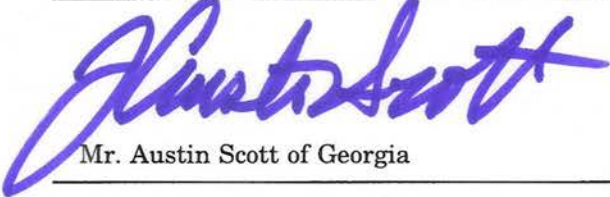
18 Section 713 of the National Oilheat Research Alli-
19 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
20 469) is amended by striking “9 years” and inserting “18
21 years”.

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And the Senate agree to the same.

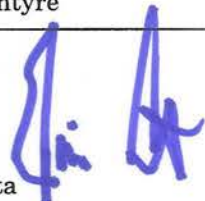
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H.R. 2642

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Agriculture, for consideration of the House amendment and the Senate amendment, and modifications committed to conference:	
 Mr. Lucas	
Mr. King of Iowa	
 Mr. Neugebauer	
 Mr. Rogers of Alabama	
 Mr. Conaway	
 Mr. Thompson of Pennsylvania	
 Mr. Austin Scott of Georgia	


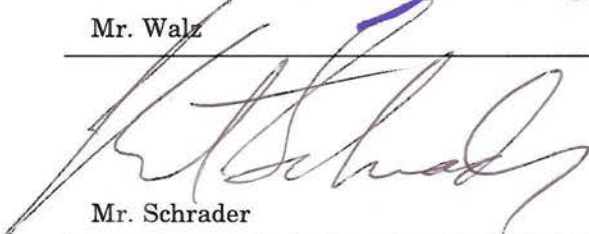

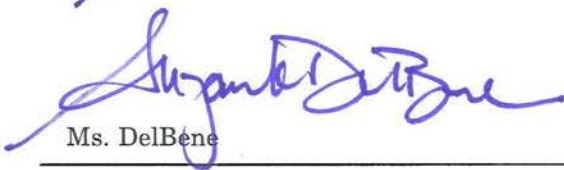

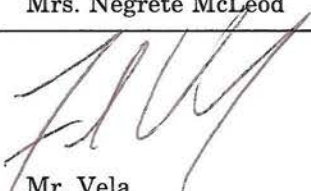
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H.R. 2642—Continued




<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
 Mr. Crawford	
 Mrs. Roby	
 Mrs. Noem	
 Mr. Denham	
 Mr. Rodney Davis of Illinois	
 Mr. Peterson	
 Mr. McIntyre	
 Mr. Costa	

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H.R. 2642—Continued

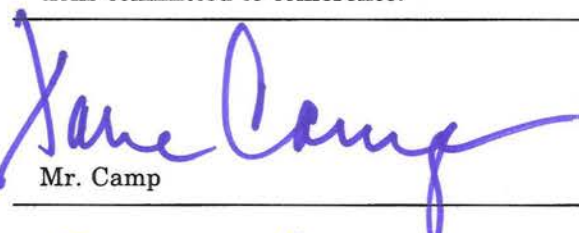


<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
 Mr. Walz	
 Mr. Schrader	
 Mr. McGovern	
 Ms. DelBene	
 Mrs. Negrete McLeod	
 Mr. Vela	

H.R. 2642—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Foreign Affairs, for consideration of title III of the House amendment, and title III of the Senate amendment, and modifications committed to conference:	
 Mr. Royce	
 Mr. Marino	
 Mr. Engel	

9496

H.R. 2642—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
From the Committee on Ways and Means, for consideration of secs. 1207 and 1301 of the House amendment, and secs. 1301, 1412, 1435, and 4204 of the Senate amendment, and modifications committed to conference:	
 Mr. Camp	
 Mr. Sam Johnson of Texas	
 Mr. Levin	

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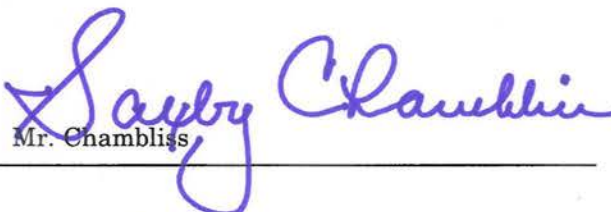

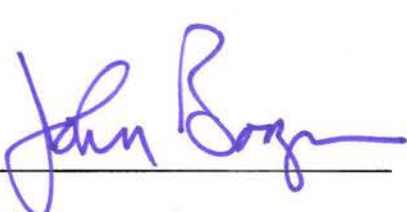
H.R. 2642—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
For consideration of the House amendment and the Senate amendment, and modifications committed to conference:	
 Mr. Southerland	
 Ms. Fudge	

H.R. 2642—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
	 Ms. Stabenow
	 Mr. Leahy
	 Mr. Harkin
	 Mr. Baucus
	 Mr. Brown
	 Ms. Klobuchar
	 Mr. Bennet
	 Mr. Cochran

H.R. 2642—Continued

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
	 Mr. Chambliss
	 Mr. Roberts
	Mr. Boozman 
	Mr. Hoeven 