
CONFERENCE COMMITTEE PRINT

Title XI – Miscellaneous Provisions

**Comparing H.R. 2419, As Passed by the House
And the Senate Amendment Thereto**

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

TITLE XI--MISCELLANEOUS

Subtitle A—Federal Crop Insurance

Sec. 11001. Premiums and reinsurance requirements	1
Sec. 11002. Catastrophic risk protection administrative fee.	6
Sec. 11003 Funding for reimbursements, contracting, risk management education, and information technology	7
Sec. 11004. Reimbursement of research and development costs related to new crop insurance products.	8
Sec. 11005. Research and development contracts for organic production coverage improvements.	11
Sec. 11006. Targeting risk management education for beginning farmers and ranchers and certain other farmers and ranchers.	14
Sec. 11007. Crop insurance ineligibility related to crop production on noncropland.	15
Sec. 11008. Funds for data mining	16
Sec. 11009. Noninsured crop assistance program.	18
Sec. 11010. Change in due date for Corporation payments for underwriting gains.	19
Sec. 11011. Sesame insurance pilot program.	19
Sec. 11012. National Drought Council and drought preparedness plans.	20
Sec. 11013. Payment of portion of premium for area revenue plans.	32
Sec. 11014. Share of risk.	34
Sec. 11015. Livestock Assistance.	35
Sec. 11016. Determination of certain sweet potato production.	35

Subtitle B—Livestock and Poultry

Sec. 11101. Sense of Congress regarding pseudorabies eradication program	89
Sec. 11102. Arbitration of livestock and poultry contracts.	86
Sec. 11103. State-inspected meat and poultry.	94
Sec. 11104. Country of origin labeling.	68
Sec. 11105. Sense of Congress regarding the voluntary control program for low pathogenic avian influenza.	92
Sec. 11106. Sense of Congress regarding the cattle fever tick eradication program.	90

Subtitle C—Socially Disadvantaged Producers and Limited Resource Producers

Sec. 11201. Outreach and technical assistance for socially disadvantaged farmers and ranchers and limited resource farmers and ranchers.	138
Sec. 11202. Improved program delivery by Department of Agriculture on Indian reservations.	141
Sec. 11203. Transparency and accountability for socially disadvantaged farmers and ranchers.	141
Sec. 11204. Beginning farmer and rancher development program.	142
Sec. 11205. Provision of receipt for service or denial of service.	144
Sec. 11206. Tracking of socially disadvantaged farmers and ranchers and limited resource farmers and ranchers in Census of Agriculture and certain studies.	145

TITLE I—PRODUCER INCOME PROTECTION PROGRAMS

Subtitle E—Administration

Sec. 1712. Cotton classification services.	157
Sec. 1713. Designation of States for cotton research and promotion.	157

Subtitle G—Risk Management

Sec. 1901. Definition of organic crop.	36
Sec. 1902. General powers.	36
Sec. 1903. Reduction in loss ratio.	37
Sec. 1904. Controlled business insurance.	37
Sec. 1905. Administrative fee.	1, 6
Sec. 1906. Time for payment.	2, 4
Sec. 1907. Surcharge Prohibition.	14
Sec. 1908. Premium reduction plan.	4
Sec. 1909. Enterprise and whole farm units.	38
Sec. 1910. Denial of claims.	39
Sec. 1911. Measurement of farm-stored commodities.	39
Sec. 1912. Reimbursement rate.	3
Sec. 1913. Renegotiation of standard reinsurance agreement.	3
Sec. 1914. Change in due date for corporation payments for underwriting gains.	19
Sec. 1915. Access to data mining information.	17
Sec. 1916. Producer eligibility.	40
Sec. 1917. Contracts for additional crop policies.	11
Sec. 1918. Research and development.	8
Sec. 1919. Funding from insurance fund.	7
Sec. 1920. Camelina pilot program.	40
Sec. 1921. Sesame insurance pilot program.	19
Sec. 1922. Risk management education for beginning farmers or ranchers.	14
Sec. 1923. Agricultural management assistance.	41
Sec. 1924. Crop insurance mediation.	41
Sec. 1925. Drought coverage for aquaculture under noninsured crop assistance program.	18
Sec. 1926. Increase in service fees for noninsured crop assistance program.	18
Sec. 1927. Determination of certain sweet potato production.	35
Sec. 1928. Perennial crop report.	42
Sec. 1929. Malting barley crop insurance issues.	40
Sec. 1930. Definition of basic unit.	42

TITLE II—CONSERVATION

Subtitle G—Other Authorities

Sec. 2608. Crop insurance ineligibility relating to crop production on native sod.	15
--	----

TITLE III—TRADE

Subtitle C—Miscellaneous

Sec. 3205. Importation of live dogs.	137
---	-----

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

Sec. 11207. Farmworker coordinator.	145
Sec. 11208. Office of Outreach relocation.	146
Sec. 11209. Minority farmer advisory committee.	147
Sec. 11210. Coordinator for chronically underserved rural areas.	148

Subtitle D—Other Miscellaneous Provisions

Sec. 11301. Designation of separate cotton-producing States under Cotton Research and Promotion Act.	157
Sec. 11302. Cotton classification services.	157
Sec. 11303. Availability of excess and surplus computers in rural areas.	158
Sec. 11304. Permanent debarment from participation in Department of Agriculture programs for fraud.	159
Sec. 11305. No discrimination against use of registered pesticide products or classes of pesticide products.	159
Sec. 11306. Prohibition on closure or relocation of county offices for the Farm Service Agency, Rural Development Agency, and Natural Resources Conservation Service.	159
Sec. 11307. Regulation of exports of plants, plant products, biological control organisms, and noxious weeds.	161
Sec. 11308. Grants to reduce production of methamphetamines from anhydrous ammonia.	162
Sec. 11309. USDA Graduate School.	162
Sec. 11310. Prevention and investigation of payment and fraud and error.	163
Sec. 11311. Sense of Congress regarding food deserts, geographically isolated neighborhoods and communities with limited or no access to major chain grocery stores.	164
Sec. 11312. Pigford claims.	165
Sec. 11313. Comptroller general study of wastewater infrastructure near United States-Mexico border.	167
Sec. 11314. Elimination of statute of limitations applicable to collection of debt by administrative offset.	167
Sec. 11315. Pollinator protection.	168
Sec. 11316. Prohibition on use of live animals for marketing medical devices; fines under the Animal Welfare Act.	129
Sec. 11317. Protection of pets.	131

TITLE V—CREDIT

Subtitle E—Miscellaneous

Sec. 5402. Determination on merits of Pigford claims.	165
Sec. 5403. Sense of the Senate relating to claims brought by socially disadvantaged farmers or ranchers.	167

TITLE VII—RESEARCH AND RELATED MATTERS

Subtitle D—Other Laws

Sec. 7309. Beginning farmer and rancher development program.	142
---	-----

Subtitle F—Miscellaneous

Sec. 7504. Study and report on access to nutritious foods.	164
---	-----

TITLE X—LIVESTOCK MARKETING, REGULATORY, AND RELATED PROGRAMS

Subtitle A—Marketing

Sec. 10001. Livestock mandatory reporting.	66
Sec. 10002. Grading and inspection.	67
Sec. 10003. Country of origin labeling.	68
Sec. 10004. Disclosure of country of harvest for ginseng.	193

Subtitle B—Agricultural Fair Practices

Sec. 10101. Definitions.	72
Sec. 10102. Prohibited practices.	74
Sec. 10103. Enforcement.	74
Sec. 10104. Rules and regulations.	76

Subtitle C—Packers and Stockyards

Sec. 10201. Special Counsel for Agricultural Competition.	76
Sec. 10202. Investigation of live poultry dealers.	80
Sec. 10203. Production contracts.	81
Sec. 10204. Right to discuss terms of contract.	87
Sec. 10205. Attorneys' fees.	87
Sec. 10206. Appointment of outside counsel.	87
Sec. 10207. Prohibition on packers owning, feeding, or controlling livestock.	88
Sec. 10208. Regulations.	89

Subtitle D—Related Programs

Sec. 10301. Sense of Congress regarding pseudorabies eradication program.	89
Sec. 10302. Sense of Congress regarding cattle fever tick eradication program.	90
Sec. 10303. National Sheep and Goat Industry Improvement Center.	91
Sec. 10304. Trichinae certification program.	91
Sec. 10305. Protection of information in the animal identification system.	92
Sec. 10306. Low pathogenic avian influenza.	92
Sec. 10307. Study on bioenergy operations.	93
Sec. 10308. Sense of the Senate on indemnification of livestock producers.	93
Sec. 10309. Coordination of dairy oversight.	93

TITLE XI--MISCELLANEOUS

Subtitle A--Agriculture Security

Sec. 11011. Definitions.	195
Sec. 11012. National plant disease recovery system and national veterinary stockpile.	198
Sec. 11013. Research and development of agricultural countermeasures.	199

Sec. 11014. Veterinary workforce grant program.200
 Sec. 11015. Assistance to build local capacity in agricultural biosecurity planning,
 preparedness, and response.....201
 Sec. 11017. Plant protection.201

Subtitle B--Other Programs

Sec. 11051. Foreclosure.....148
 Sec. 11052. Outreach and technical assistance for socially disadvantaged farmers
 and ranchers.138
 Sec. 11053. Additional contracting authority.149
 Sec. 11054. Improved program delivery by the Department of Agriculture on Indian
 reservations.141
 Sec. 11055. Accurate documentation in the census of agriculture and certain
 studies.145
 Sec. 11056. Improved data requirements.141
 Sec. 11057. Receipt for service or denial of service. Payments in lieu of
 loan deficiency payments for grazed acreage.144
 Sec. 11058. National Appeals Division.151
 Sec. 11059. Farmworker Coordinator.145
 Sec. 11060. Congressional Bipartisan Food Safety Commission.....106
 Sec. 11061. Emergency grants to assist low-income migrant
 and seasonal farmworkers.....150
 Sec. 11062. Grants to reduce production of methamphetamines from anhydrous
 ammonia.162
 Sec. 11063. Invasive species management, Hawaii177
 Sec. 11064. Oversight and compliance.....152
 Sec. 11065. Report of civil rights complaints, resolutions, and actions.....152
 Sec. 11066. Grants to improve supply, stability, safety, and training of agricultural
 labor force.....153
 Sec. 11067. Interstate shipment of meat and poultry inspected by Federal and
 State agencies for certain small establishments.....94
 Sec. 11068. Amendment to the Right to Financial Privacy Act of 1978.....163
 Sec. 11069. Elimination of statute of limitations applicable to collection of debt
 by administrative offset.167
 Sec. 11070. Report on stored quantities of propane202
 Sec. 11071. Closure of certain county FSA offices.....159
 Sec. 11072. Action by President and Congress based on report116
 Sec. 11074. GAO report on access to health care for farmers.....184
 Sec. 11075. Conveyance of land to Chihuahuan Desert Nature Park.186
 Sec. 11076. Prohibitions on dog fighting ventures.....134
 Sec. 11077. Regulations to improve management and oversight of certain regulated
 articles.....175
 Sec. 11078. Invasive pest and disease emergency response funding
 clarification176
 Sec. 11079. Protection of pets.131
 Sec. 11080. Exemption from AQI user fees174

	Sec. 11081. Department of Agriculture conference transparency..... 187
	Sec. 11082. Report relating to the ending of childhood hunger in the United States..... 183
	Sec. 11083. National emergency grant to address effects of Greensburg, Kansas tornado..... 189
	Sec. 11084. Report on program results..... 190
	Sec. 11085. Sense of the Senate on the U.S. Department of Agriculture’s Wildlife Services Competing Against Private Industry for Nuisance Bird Control Work..... 132
	Sec. 11086. Oversight of national aquatic animal health plan 170
	Sec. 11087. Food safety improvement. 117
	Sec. 11088. Office of Small Farms and Beginning Farmers and Ranchers 154
	Sec. 11089. Study of impacts of local food systems and commerce..... 190
	Sec. 11090. Invasive Species Revolving Loan Fund..... 179
	Sec. 11091. Cooperative agreements relating to invasive species prevention activities..... 182
	Subtitle C--Pet Turtle Market Access
	Sec. 11101. Short title..... 135
	Sec. 11102. Findings..... 135
	Sec. 11103. Review, report, and action on the sale of baby turtles. 136
	Subtitle D—Disaster Loan Program
	Sec. 11111. Short title..... 42
	Sec. 11112. Definitions..... 42
	Part I—Disaster Planning and Response
	Sec. 11121. Disaster loans to nonprofits. 43
	Sec. 11122. Disaster loan amounts. 43
	Sec. 11123. Small business development center portability grants..... 44
	Sec. 11124. Assistance to out-of-State businesses 45
	Sec. 11125. Outreach programs..... 45
	Sec. 11126. Small business bonding threshold..... 46
	Sec. 11127. Termination of program. 46
	Sec. 11128. Increasing collateral requirements 46
	Sec. 11129. Public awareness of disaster declaration and application periods. 47
	Sec. 11130. Consistency between Administration regulations and standard operating procedures..... 48
	Sec. 11131. Processing disaster loans..... 49
	Sec. 11132. Development and implementation of major disaster response plan .. 49
	Sec. 11133. Disaster planning responsibilities. 51
	Sec. 11134. Additional authority for district offices of the Administration..... 53
	Sec. 11135. Assignment of employees of the Office of Disaster Assistance and Disaster Cadre..... 53
	Part II—Disaster Lending
	Sec. 11141. Small Business Act catastrophic national disaster declaration. 54
	Sec. 11142. Private disaster loans..... 56
	Sec. 11143. Technical and conforming amendments. 58
	Sec. 11144. Expedited disaster assistance loan program..... 59

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	Sec. 11145. Hubzones.....60
	Part III—Disaster Assistance Oversight
	Sec. 11161. Congressional oversight.....62

<p>Subtitle A—Federal Crop Insurance</p>	
<p>SEC. 11001. PREMIUMS AND REINSURANCE REQUIREMENTS.</p> <p>(a) PREMIUM ADJUSTMENTS.—Section 508(a) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)) is amended by adding at the end the following new paragraph:</p> <p>“(9) PREMIUM ADJUSTMENTS.—</p> <p>“(A) PROHIBITION.—Except as provided in subparagraph (B), the paying, allowing, or giving, or offering to pay, allow, or give, directly or indirectly, either as an inducement to procure insurance or after insurance has been procured, any rebate, discount, abatement, credit, or reduction of the premium named in an insurance policy or any other valuable consideration or inducement whatsoever not specified in the policy, is strictly prohibited under this title.</p> <p>“(B) EXCEPTIONS.—Subparagraph (A) does not apply with respect to the following:</p> <p>“(i) A rebate authorized under subsection (b)(5)(B).</p> <p>“(ii) A performance-based discount authorized under subsection (d)(3).”.</p> <p>(b) PAYMENT OF CATASTROPHIC RISK PROTECTION FEE ON BEHALF OF PRODUCERS.—Section 508(b)(5)(B) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(B)) is amended—</p> <p>(1) in the subparagraph heading, by inserting “OF CATASTROPHIC RISK PROTECTION FEE” after “PAYMENT”;</p> <p>(2) in clause (i)—</p> <p>(A) by striking “or other payment”; and</p> <p>(B) by striking “with catastrophic risk protection or additional coverage”; and inserting “through the payment of all or a portion of catastrophic risk protection administrative fees”;</p>	<p>No comparable provision</p> <p>SEC. 1905. ADMINISTRATIVE FEE.</p> <p>Section 508(b)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)) is amended—</p> <p>(1) in subparagraph (A), by striking “\$100” and inserting “\$200”; and</p> <p>(2) in subparagraph (B)—</p> <p>(A) by striking “PAYMENT ON BEHALF OF PRODUCERS” and inserting “PAYMENT OF CATASTROPHIC RISK PROTECTION FEE ON BEHALF OF PRODUCERS”;</p> <p>(B) in clause (i)—</p> <p>(i) by striking “or other payment”; and</p> <p>(ii) by striking “with catastrophic risk protection or additional coverage” and inserting “through the payment of catastrophic risk protection administrative</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(3) in clause (ii)—

(A) by striking “or other payment made by an insurance provider” and inserting “payment made pursuant to clause (i) by an insurance provider”;

(B) by striking “issuance of catastrophic risk protection or additional coverage to” and inserting “payment of catastrophic risk protection administrative fees on behalf of”; and

(C) by striking “or other payment” the second place it appears;

(4) in clause (iv), by striking “A policy or plan of insurance” and inserting “Catastrophic risk protection coverage”;

(5) in clause (v)—

(A) by striking “licensing fee or other arrangement under this subparagraph” and inserting “licensing fee arrangement”; and

(B) by striking “levels of additional coverage” and inserting “levels of coverage”; and

(6) by striking clause (vi).

(c) **CHANGE IN DUE DATE FOR POLICYHOLDER PREMIUMS.**—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) in subsection (b)(5)(C), by striking “the date that premium” and inserting “the same date on which the premium”;

(2) in subsection (c)(10)(B)—

(A) by inserting “; **TIME FOR PAYMENT**” after “**WAIVER**”; and

(B) by adding at the end the following new sentence: “Subparagraph (C) of such subsection shall apply with respect to the collection date for policy premiums.”; and

(3) in subsection (d), by adding at the end the following new paragraph:

“(4) **BILLING DATE FOR PREMIUMS.**—Beginning with the 2012 reinsurance year, the

fees”;

(C) by striking clauses (ii) and (vi);

(D) by redesignating clauses (iii), (iv), and (v) as clauses (ii), (iii), and (iv), respectively;

(E) in clause (iii) (as so redesignated), by striking “A policy or plan of insurance” and inserting “Catastrophic risk protection coverage”; and

(F) in clause (iv) (as so redesignated)—

(i) by striking “or other arrangement under this subparagraph”; and

(ii) by striking “additional”.

SEC. 1906. TIME FOR PAYMENT.

Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) in subsection (d), by adding at the end the following:

“(4) **TIME FOR PAYMENT.**—Effective beginning with the 2012 reinsurance year, a producer that obtains a policy or plan of insurance under this title shall submit the required premium not later than September 30 of the year for which the plan or policy of insurance was obtained.”; and

(2) in subsection (k)(4), by adding at the end the following:

“(D) **TIME FOR REIMBURSEMENT.**—Effective beginning with the 2012 reinsurance year, the Corporation shall reimburse approved insurance providers and agents for the allowable administrative and operating costs of the providers and agents as soon as

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

Corporation shall establish August 1 as the billing date for premiums.”.

(d) REINSURANCE.—

(1) REIMBURSEMENT RATE.—Section 508(k)(4)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)(A)) is amended by striking clause (ii) and inserting the following new clause:

“(ii) for the 2009 and subsequent reinsurance years, 2.9 percentage points below the rates, in effect as of the date of the enactment of this Act of the Farm, Nutrition, and Bioenergy Act of 2007, for all crop insurance policies used to define loss ratio.”.

(2) RENEGOTIATION OF STANDARD REINSURANCE AGREEMENT.—Section 508(k) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)) is amended by adding at the end the following new paragraph:

“(8) **RENEGOTIATION OF STANDARD REINSURANCE AGREEMENT.—**

“(A) **PERIODIC RENEGOTIATION.—**Following the reinsurance year ending June 30,

practicable after October 1 (but not later than October 31) of the reinsurance year for which reimbursements are earned.”.

SEC. 1912. REIMBURSEMENT RATE.

Section 508(k)(4) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)) (as amended by section 1906(2)) is amended—

(1) in subparagraph (A), by striking “Except as provided in subparagraph (B)” and inserting “Except as otherwise provided in this paragraph”; and

(2) by adding at the end the following:

“(E) **REIMBURSEMENT RATE REDUCTION FOR EXISTING POLICIES AND PLANS OF INSURANCE.—**In the case of a policy of additional coverage that received a rate of reimbursement for administrative and operating costs for the 2008 reinsurance year, for each of the 2009 and subsequent reinsurance years, the reimbursement rate for administrative and operating costs shall be 2 percentage points below the rate in effect as of the date of enactment of the Food and Energy Security Act of 2007 for all crop insurance policies used to define loss ratio, except that the reduction shall not apply in a reinsurance year to the total premium written in a State in which the State loss ratio is greater than **1.2**.

“(F) **REIMBURSEMENT RATE FOR AREA POLICIES AND PLANS OF INSURANCE.—**Notwithstanding subparagraphs (A) through (E), for each of the 2009 and subsequent reinsurance years, the reimbursement rate for area policies and plans of insurance shall be 17 percent of the premium used to define loss ratio for that reinsurance year.”.

SEC.1913. RENEGOTIATION OF STANDARD REINSURANCE AGREEMENT.

Section 508(k) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)) is amended by adding at the end the following:

“(8) **RENEGOTIATION OF STANDARD REINSURANCE AGREEMENT.—**

HOUSE BILL (H.R. 2419)

2012, the Corporation may renegotiate the financial terms of the standard reinsurance agreement during the next reinsurance year and once during each period of five reinsurance years thereafter.

“(B) **EFFECT OF FEDERAL LAW CHANGES.**—If changes in Federal law are enacted that require revisions in the financial terms of the standard reinsurance agreement, and such changes in the agreement are made on a mandatory basis by the Corporation, such changes will not be deemed to be a renegotiation of the agreement for purposes of subparagraph (A).

“(C) **CONSULTATION.**—Approved insurance providers and their representatives may confer with each other, and collectively with the Corporation, during the renegotiation process under subparagraph (A).”.

(3) **TREATMENT OF 2008 REINSURANCE YEAR.**—Clause (ii) of section 508(k)(4)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)(A)), as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to the 2008 reinsurance year.

(e) **CHANGE IN DUE DATE FOR ADMINISTRATIVE AND OPERATING EXPENSE PAYMENT.**—Section 516(b) of the Federal Crop Insurance Act (7 U.S.C. 1516(b)) is amended by adding at the end the following new paragraph:

“(3) **DUE DATE FOR ADMINISTRATIVE AND OPERATING EXPENSE PAYMENT.**—Beginning with the 2012 reinsurance year, the Corporation shall make payments pursuant to paragraph (1)(B) during October 2012, and for subsequent reinsurance years, every October thereafter.”.

(f) **CONFORMING AMENDMENTS.**—

(1) **PREMIUM REDUCTION AUTHORITY.**—Subsection 508(e) of the Federal Crop

SENATE AMENDMENT

“(A) **IN GENERAL.**—Notwithstanding section 536 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 1506 note; Public Law 105-185) and section 148 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1506 note; Public Law 106-224), the Corporation may renegotiate the financial terms and conditions of each Standard Reinsurance Agreement—

“(i) following the reinsurance year ending June 30, 2012;

“(ii) once during each period of 5 reinsurance years thereafter; and

“(iii) subject to subparagraph (B), in any case in which the approved insurance providers, as a whole, experience unexpected adverse circumstances, as determined by the Secretary.

“(B) **NOTIFICATION REQUIREMENT.**—If the Corporation renegotiates a Standard Reinsurance Agreement under subparagraph (A)(iii), the Corporation shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the renegotiation.

“(C) **CONSULTATION.**—The approved insurance providers may confer with each other and collectively with the Corporation during any renegotiation under subparagraph (A).”.

SEC. 1906. TIME FOR PAYMENT.

Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(2) in subsection (k)(4), by adding at the end the following:

“(D) **TIME FOR REIMBURSEMENT.**—Effective beginning with the 2012 reinsurance year, the Corporation shall reimburse approved insurance providers and agents for the allowable administrative and operating costs of the providers and agents as soon as practicable after October 1 (but not later than October 31) of the reinsurance year for which reimbursements are earned.”.

SEC. 1908. PREMIUM REDUCTION PLAN.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

Insurance Act (7 U.S.C. 1508(e)) is amended—

(A) in paragraph (2) by striking “paragraph (4)” and inserting “paragraph (3)”;

(B) by striking paragraph (3); and

(C) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(2) **PREMIUM RATE REDUCTION PILOT PROGRAM.**—Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended—

(A) by striking subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(3) **SUBMISSION OF POLICIES AND MATERIALS.**—Section 508(h)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)(1)(A)) is amended by striking “; and” and inserting “; or”.

Section 508(e) of Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by striking paragraph (3) and inserting the following:

“(3) **DISCOUNT STUDY.**—

“(A) **IN GENERAL.**—The Secretary shall commission an entity independent of the crop insurance industry (with expertise that includes traditional crop insurance) to study

“(i) an evaluation of the operation of a premium reduction plan that examines—

“(I) the clarity, efficiency, and effectiveness of the statutory language and related regulations;

“(II) whether the regulations frustrated the goal of offering producers upfront, predictable, and reliable premium discount payments; and

“(III) whether the regulations provided for reasonable, cost-effective oversight by the Corporation of premium discounts offered by approved insurance providers, including—

“(aa) whether the savings were generated from verifiable cost efficiencies adequate to offset the cost of discounts paid; and

“(bb) whether appropriate control was exercised to prevent approved insurance providers from preferentially offering the discount to producers of certain agricultural commodities, in certain regions, or in specific size categories;

“(ii) examination of the impact on producers, the crop insurance industry, and profitability from offering discounted crop insurance to producers;

“(iii) examination of

implications for industry concentration from offering discounted crop insurance to producers;

“(iv) an examination of the desirability and feasibility of allowing other forms of price competition in the Federal crop insurance program;

“(v) a review of the history of commissions paid by crop insurance providers; and

“(vi) recommendations on—

“(I) potential changes to this title that would address the deficiencies in past efforts to provide discounted crop insurance to producers,

“(II) whether approved insurance providers should be allowed to draw on both administrative and operating reimbursement and underwriting gains to

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

provide discounted crop insurance to producers; and

“(III) any other action that could increase competition in the crop insurance industry that will benefit producers but not undermine the viability of the Federal crop insurance program.

“(C) REQUEST FOR PROPOSALS.—In developing the request for proposals for the study, the Secretary shall consult with parties in the crop insurance industry (including producers and approved insurance providers and agents, including providers and agents with experience selling discount crop insurance products).

“(D) REVIEW OF STUDY.—The independent entity selected by Secretary under subparagraph (A) shall seek comments from interested stakeholders before finalizing the report of the entity.

SEC. 11002. CATASTROPHIC RISK PROTECTION ADMINISTRATIVE FEE.

Section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)) is amended by striking “\$100 per crop per county” and inserting in its place “\$200 per crop per county”.

SEC. 1905. ADMINISTRATIVE FEE.

Section 508(b)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)) is amended—

(2) in subparagraph (A), by striking “\$100” and inserting “\$200”; and

(2) in subparagraph (B)—

(A) by striking “PAYMENT ON BEHALF OF PRODUCERS” and inserting “PAYMENT OF CATASTROPHIC RISK PROTECTION FEE ON BEHALF OF PRODUCERS”;

(B) in clause (i)—

(i) by striking “or other payment”; and

(ii) by striking “with catastrophic risk protection or additional coverage” and inserting “through the payment of catastrophic risk protection administrative fees”;

(C) by striking clauses (ii) and (vi);

(D) by redesignating clauses (iii), (iv), and (v) as clauses (ii), (iii), and (iv), respectively;

(E) in clause (iii) (as so redesignated), by striking “A policy or plan of insurance” and inserting “Catastrophic risk protection coverage”; and

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

- (F) in clause (iv) (as so redesignated)—
- (i) by striking “or other arrangement under this subparagraph”; and
 - (ii) by striking “additional”.

SEC. 11003. FUNDING FOR REIMBURSEMENTS, CONTRACTING, RISK MANAGEMENT EDUCATION, AND INFORMATION TECHNOLOGY.

(a) **FUNDING.**—Section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516) is amended by adding at the end the following new subsections:

“(d) **FUNDING FOR REIMBURSEMENTS, CONTRACTING, RISK MANAGEMENT EDUCATION, AND INFORMATION TECHNOLOGY.**—Of the amounts made available from the insurance fund established under subsection (c), the Corporation shall use not more than \$30,000,000 in each fiscal year to carry out the following:

“(1) Reimbursement of research and development and maintenance costs described under section 522(b).

“(2) Research and development contracting described under section 522(c).

“(3) Partnerships for risk management and implementation described under section 522(d).

“(4) Education and information programs described in section 524(a)(2).

“(5) Partnerships for risk management education program described in section 524(a)(3).

“(6) Information technology, as determined by the Corporation.

“(e) **UNDERSERVED STATES.**—Of the amount made available under subsection (d), the Corporation shall use not more than \$5,000,000 in each fiscal year to carry out contracting for research and development described in section 522(c)(1)(A).”.

(b) **CONFORMING AMENDMENTS.**—

(1) **FORMER FUNDING PROVISION.**—Section 522 of the Federal Crop Insurance Act (7 U.S.C. 1522) is amended by striking subsection (e) and inserting the following new subsection:

“(e) **PROHIBITED RESEARCH AND DEVELOPMENT BY CORPORATION.**—

SEC. 1919. FUNDING FROM INSURANCE FUND.

Section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) is amended—

(1) in paragraph (1), by striking “\$10,000,000” and all that follows through the end of the paragraph and inserting “\$7,500,000 for fiscal year 2008 and each subsequent fiscal year”;

(2) in paragraph (2)(A), by striking “\$20,000,000 for” and all that follows through “year 2004” and inserting “\$12,500,000 for fiscal year 2008”; and

(3) in paragraph (3), by striking “the Corporation may use” and all that follows through the end of the paragraph and inserting “the Corporation may use—

“(A) not more than \$5,000,000 for each fiscal year to improve program integrity, including by—

“(i) increasing compliance-related training;

“(ii) improving analysis tools and technology regarding compliance;

“(iii) use of information technology, as determined by the Corporation;

“(iv) identifying and using innovative compliance strategies; and

“(B) any excess amounts to carry out other activities authorized under this section.”.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(1) **NEW POLICIES.**—Notwithstanding subsection (d), the Corporation shall not conduct research and development for any new policy for an agricultural commodity offered under this title.

“(2) **EXISTING POLICIES.**—Any policy developed by the Corporation under this title before October 1, 2000, may continue to be offered for sale to producers.”.

(2) **CROSS REFERENCE.**—Section 523(c)(1) of the Federal Crop Insurance Act (7 U.S.C. 1523(c)(1)) is amended by striking “section 522(e)(4)” and inserting “section 522(e)”.

(3) **EDUCATION ASSISTANCE FUNDING.**—Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended as follows:

(A) in paragraph (1), by striking “paragraph (4)” and inserting “section 516(d)”; and

(B) by striking paragraph (4).

SEC. 11004. REIMBURSEMENT OF RESEARCH AND DEVELOPMENT COSTS RELATED TO NEW CROP INSURANCE PRODUCTS.

(a) **REIMBURSEMENT AUTHORIZED.**—Paragraph (1) of section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) is amended to read as follows:

“(1) **RESEARCH AND DEVELOPMENT REIMBURSEMENT.**—The Corporation shall provide a payment to reimburse an applicant for research and development costs directly related to a policy that—

“(A) is submitted to the Board pursuant to an FCIC Reimbursement Grant under paragraph (7); or

“(B) is submitted to the Board and approved by the Board under section 508(h) for reinsurance and, if applicable, offered for sale to producers.”.

(b) **FCIC REIMBURSEMENT GRANTS.**—Section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) is amended by adding at the end the following new paragraph:

“(7) **FCIC REIMBURSEMENT GRANTS.**—

“(A) **GRANTS AUTHORIZED.**—The Corporation shall provide FCIC Reimbursement Grants to persons proposing to prepare for submission to the Board crop insurance policies and provisions under subparagraphs (A) and (B) of section 508(h)(1), who

SEC. 1918. RESEARCH AND DEVELOPMENT.

(a) **Reimbursement Authorized.**—Section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) is amended by striking paragraph (1) and inserting the following:

“(1) **RESEARCH AND DEVELOPMENT REIMBURSEMENT.**—The Corporation shall provide a payment to reimburse an applicant for research and development costs directly related to a policy that—

“(A) is submitted to, and approved by, the Board pursuant to a FCIC reimbursement grant under paragraph (7); or

“(B) is—

“(i) submitted to the Board and approved by the Board under section 508(h) for reinsurance; and

“(ii) if applicable, offered for sale to producers.”.

(b) **FCIC Reimbursement Grants.**—Section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)) is amended by adding at the end the following:

“(7) **FCIC REIMBURSEMENT GRANTS.**—

“(A) **GRANTS AUTHORIZED.**—The Corporation shall provide FCIC reimbursement grants to persons (referred to in this paragraph as ‘submitters’) proposing to prepare for submission to the Board crop insurance policies and provisions under subparagraphs (A) and (B) of section 508(h)(1), that apply and are approved for the

HOUSE BILL (H.R. 2419)

apply and are approved for such FCIC Reimbursement Grants under the terms and conditions of this paragraph.

“(B) **SUBMISSION OF APPLICATION.**—The Board shall receive and consider applications for FCIC Reimbursement Grants at least once annually. An application to receive an FCIC Reimbursement Grant from the Corporation shall consist of such materials as the Board may require, including—

“(i) a concept paper that describes the proposal in sufficient detail for the Board to determine whether it satisfies the requirements of subparagraph (C);

“(ii) a summary of —

“(I) the need for the product, including an assessment of marketability and expected demand among affected producers;

“(II) support from producers, producer organizations, lenders, or other interested parties;

“(III) the impact the product would have on producers and on the crop insurance delivery system; and

“(IV) that no products are offered by the private sector providing the same benefits and risk management services as the proposal.

“(iii) a summary of data sources available demonstrating that the product can reasonably be developed and properly rated; and

“(iv) identification of the risks the proposed product will cover and that the risks are insurable under the Act.

“(C) **APPROVAL CONDITIONS.**—Approval of an application for a FCIC Reimbursement Grant shall be by majority vote of the Board. The Board shall approve the application only if the Board finds that—

“(i) the proposal contained in the application—

“(I) provides coverage to a crop or region not traditionally served by the Federal crop insurance program;

“(II) provides crop insurance coverage in a significantly improved form;

“(III) addresses a recognized flaw or problem in the program;

“(IV) introduces a significant new concept or innovation to the program; or

SENATE AMENDMENT

FCIC reimbursement grants under this paragraph.

“(B) **SUBMISSION OF APPLICATION.**—

“(i) **IN GENERAL.**—The Board shall receive and consider applications for FCIC reimbursement grants at least once each year.

“(ii) **REQUIREMENTS.**—An application to receive a FCIC reimbursement grant from the Corporation shall consist of such

materials as the Board may require, including—

“(I) a concept paper that describes the proposal in sufficient detail for the Board to determine whether the proposal satisfies the requirements of subparagraph (C); and

“(II) a description of —

“(aa) the need for the product, including an assessment of marketability and expected demand among affected producers;

“(bb) support from producers, producer organizations, lenders, or other interested parties; and

“(cc) the impact the product would have on producers and on the crop insurance delivery system; and

“(III) a statement that no products are offered by the private sector that provide the same benefits and risk management services as the proposal;

“(IV) a summary of data sources available that demonstrate that the product can reasonably be developed and properly rated; and

“(V) an identification of the risks the proposed product will cover and an explanation of how the identified risks are insurable under this title.

“(C) **APPROVAL CONDITIONS.**—

“(i) **IN GENERAL.**—A majority vote of the Board shall be required to approve an application for a FCIC reimbursement grant.

“(ii) **REQUIRED FINDINGS.**—The Board shall approve the application if the Board finds that—

“(I) the proposal contained in the application—

“(aa) provides coverage to a crop or region not traditionally served by the Federal crop insurance program;

“(bb) provides crop insurance coverage in a significantly improved form;

HOUSE BILL (H.R. 2419)

“(V) provides coverage, benefits, or risk management services not available from the private sector;

“(ii) the applicant demonstrates the necessary qualifications to complete the project successfully in a timely manner with high quality;

“(iii) the proposal is in the interests of producers and can reasonably be expected to be actuarially appropriate;

“(iv) the Board determines that the Corporation has sufficient available funding to award the FCIC Reimbursement Grant; and

“(v) the proposed budget and timetable are reasonable.

“(D) **PARTICIPATION.**—In reviewing proposals under this paragraph, the Board may use the services of persons it deems appropriate for expert review. All proposals submitted under this paragraph will be treated as confidential in accordance with section 508(h)(4).

“(E) **ENTERING INTO AGREEMENT.**—Upon approval of the application, the Board shall enter into an agreement with the person for the development of a formal submission meeting the requirements for a complete submission established by the Board under section 508(h).

“(F) **FEASIBILITY STUDIES.**—In appropriate cases, the Corporation may structure the FCIC Reimbursement Grant to require, as an initial step within the overall process, the submitter to complete a feasibility study and report the results of such study to the Corporation prior to proceeding with further development. The Corporation may require such other reports as necessary to monitor the development efforts.

“(G) **RATES.**—Payment for work performed under this paragraph shall be based on rates determined by the Corporation for products submitted under section 508(h) of the Act or for those contracted by the Corporation under section 522(c) of the Act.

“(H) **TERMINATION.**—The Corporation or the submitter may terminate any FCIC Reimbursement Grant to reimburse expenses at any time for just cause. If the Corporation or the submitter terminates the FCIC Reimbursement Grant before final approval of the product covered thereby, the submitter shall be entitled to reimbursement of all costs incurred to that point, or, in the case of a fixed rate agreement, to payment of an appropriate percentage. If the submitter terminates development without just cause, the Corporation may deny reimbursement.

“(I) **CONSIDERATION OF PRODUCTS.**—The Board shall consider any product

SENATE AMENDMENT

“(cc) addresses a recognized flaw or problem in the Federal crop insurance program or an existing product;

“(dd) introduces a significant new concept or innovation to the Federal crop insurance program; or

“(ee) provides coverage or benefits not available from the private sector;

“(II) the submitter demonstrates the necessary qualifications to complete the project successfully in a timely manner with high quality;

“(III) the proposal is in the interests of producers and can reasonably be expected to be actuarially appropriate and function as intended;

“(IV) the Board determines that the Corporation has sufficient available funding to award the FCIC reimbursement grant; and

“(V) the proposed budget and timetable are reasonable.

“(D) **PARTICIPATION.**—

“(i) **IN GENERAL.**—In reviewing proposals under this paragraph, the Board may use the services of persons that the Board determines appropriate to carry out expert review in accordance with section 508(h).

“(ii) **CONFIDENTIALITY.**—All proposals submitted under this paragraph shall be treated as confidential in accordance with section 508(h)(4).

“(E) **ENTERING INTO AGREEMENT.**—Upon approval of an application, the Board shall offer to enter into an agreement with the submitter for the development of a formal submission that meets the requirements for a complete submission established by the Board under section 508(h).

“(F) **FEASIBILITY STUDIES.**—

“(i) **IN GENERAL.**—In appropriate cases, the Corporation may structure the FCIC reimbursement grant to require, as an initial step within the overall process, the submitter to complete a feasibility study, and report the results of the study to the Corporation, prior to proceeding with further development.

“(ii) **MONITORING.**—The Corporation may require such other reports as the Corporation determines necessary to monitor the development efforts.

“(G) **RATES.**—Payment for work performed by the submitter under this paragraph shall be based on rates determined by the Corporation for products—

“(i) submitted under section 508(h); or

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

submitted to it developed under this paragraph under the rules it has established for products submitted under section 508(h) of this Act.”.

“(ii) contracted by the Corporation under subsection (c).

“(H) TERMINATION.—

“(i) IN GENERAL.—The Corporation or the submitter may terminate any FCIC reimbursement grant at any time for just cause.

“(ii) REIMBURSEMENT.—If the Corporation or the submitter terminates the FCIC reimbursement grant before final approval of the product covered by the grant, the submitter shall be entitled to—

“(I) reimbursement of all eligible costs incurred to that point; or

“(II) in the case of a fixed rate agreement, payment of an appropriate percentage, as determined by the Corporation.

“(iii) DENIAL.—If the submitter terminates development without just cause, the Corporation may deny reimbursement or recover any reimbursement already made.

“(I) CONSIDERATION OF PRODUCTS.—The Board shall consider any product developed under this paragraph and submitted to the Board under the rules the Board has established for products submitted under section 508(h).”.

(c) Conforming Amendment.—Section 523(b)(10) of the Federal Crop Insurance Act (7 U.S.C. 1523(b)(10)) is amended by striking “(other than research and development costs covered by section 522)”.

SEC. 11005. RESEARCH AND DEVELOPMENT CONTRACTS FOR ORGANIC PRODUCTION COVERAGE IMPROVEMENTS.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

(1) by redesignating paragraph (10) as paragraph (11); and

(2) by inserting after paragraph (9) the following new paragraph:

SEC. 1917. CONTRACTS FOR ADDITIONAL CROP POLICIES.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522) is amended—

(1) by redesignating paragraph (10) as paragraph (14); and

(2) by inserting after paragraph (9) the following:

“(10) ENERGY CROP INSURANCE POLICY.—

“(A) DEFINITION OF DEDICATED ENERGY CROP.—In this subsection, the term

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(10) **CONTRACTS FOR ORGANIC PRODUCTION COVERAGE IMPROVEMENTS.**—

“(A) **CONTRACT REQUIRED.**—Not later than 180 days after the date of the enactment of the Farm, Nutrition, and Bioenergy Act of 2007, the Corporation shall enter into one or more contracts for the development of improvements in Federal crop insurance policies covering crops produced in compliance with standards issued by the Department of Agriculture under the National Organic Program.

“(B) **REVIEW OF UNDERWRITING, RISK, AND LOSS EXPERIENCE.**—

“(i) **REVIEW REQUIRED.**—A contract under subparagraph (A) shall include a review of the underwriting, risk, and loss experience of organic crops covered by the Corporation, as compared with the same crops produced in the same counties and during the same time periods using non-organic methods. The review should be designed to allow the Corporation to determine whether significant, consistent, or systemic variations in loss history exist between organic and non-organic production, and shall include the widest available range of data, including loss history under existing crop insurance policies, collected by the National Agricultural Statistics Service, and other sources of information.

“(ii) **EFFECT ON PREMIUM SURCHARGE.**—Unless the review under this subparagraph documents the existence of such significant, consistent, and systemic variations in loss history between organic and non-organic crops, either collectively or on an individual basis, the Corporation shall eliminate or reduce the premium surcharge that the Corporation charges for coverage for organic crops.

“(C) **ADDITIONAL PRICE ELECTION.**—A contract under subparagraph (A) shall include the development of a procedure, including any associated changes in policy terms or materials required for implementation of the procedure, to offer producers of organic crops an additional price election that would reflect the actual retail or wholesale prices, as appropriate, received by organic producers for their crops, as established using data collected and maintained by the Agricultural Marketing Service or other sources. The development of the procedure shall be completed in a timely manner to allow the Corporation to begin offering the additional price election for organic crops with sufficient data for the 2009 crop year, and expand it thereafter as the Agricultural Marketing Service expands its data collection and availability for prices of organic crops.

“(D) **REPORTING REQUIREMENTS.**—The Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on the progress made in developing and improving Federal crop insurance for organic crops, including the

‘dedicated energy crop’ means an annual or perennial crop that—

“(i) is grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or bio-based products; and

“(ii) is not typically used for food, feed, or fiber.

“(B) **AUTHORITY.**—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding a policy to insure dedicated energy crops.

“(C) **RESEARCH AND DEVELOPMENT.**—Research and development described in subparagraph (B) shall evaluate the effectiveness of risk management tools for the production of dedicated energy crops, including policies and plans of insurance that—

“(i) are based on market prices and yields;

“(ii) to the extent that insufficient data exist to develop a policy based on market prices and yields, evaluate the policies and plans of insurance based on the use of weather or rainfall indices to protect the interests of crop producers; and

“(iii) provide protection for production or revenue losses, or both.

“(11) **AQUACULTURE INSURANCE POLICY.**—

“(A) **DEFINITION OF AQUACULTURE.**—In this subsection:

“(i) **IN GENERAL.**—The term ‘aquaculture’ means the propagation and rearing of aquatic species in controlled or selected environments, including shellfish cultivation on grants or leased bottom and ocean ranching.

“(ii) **EXCLUSION.**—The term ‘aquaculture’ does not include the private ocean ranching of Pacific salmon for profit in any State in which private ocean ranching of Pacific salmon is prohibited by any law (including regulations).

“(B) **AUTHORITY.**—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding a policy to insure aquaculture operations.

“(C) **RESEARCH AND DEVELOPMENT.**—Research and development described in subparagraph (B) shall evaluate the effectiveness of risk management tools for the production of fish and other seafood in aquaculture operations, including policies and plans of insurance that—

“(i) are based on market prices and yields;

“(ii) to the extent that insufficient data exist to develop a policy based on market prices and yields, evaluate how best to incorporate insuring of aquaculture operations into existing policies covering adjusted gross revenue; and

HOUSE BILL (H.R. 2419)

numbers and varieties of organic crops insured, the development of new insurance approaches, and the progress of the initiatives mandated under this paragraph. The report shall also include such recommendations as the Corporation considers appropriate regarding additional opportunities to improve Federal crop insurance coverage for such crops.”.

SENATE AMENDMENT

“(iii) provide protection for production or revenue losses, or both.

“(12) ORGANIC CROP PRODUCTION COVERAGE IMPROVEMENTS.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, the Corporation shall offer to enter into 1 or more contracts with qualified entities for the development of improvements in Federal crop insurance policies covering organic crops.

“(B) PRICE ELECTION.—

“(i) IN GENERAL.—The contracts under subparagraph (A) shall include the development of procedures (including any associated changes in policy terms or materials required for implementation of the procedures) to offer producers of organic crops a price election that would reflect the actual retail or wholesale prices, as appropriate, received by producers for organic crops, as established using data collected and maintained by the Agricultural Marketing Service.

“(ii) DEADLINE.—The development of the procedures required under clause (i) shall be completed not later than the date necessary to allow the Corporation to offer the price election—

“(I) beginning in the 2009 reinsurance year for organic crops with adequate data available; and

“(II) subsequently for additional organic crops as data collection for those organic crops is sufficient, as determined by the Corporation.

“(13) SKIPROW CROPPING PRACTICES.—

“(A) IN GENERAL.—The Corporation shall offer to enter into a contract with a qualified entity to carry out research into needed modifications of policies to insure corn and sorghum produced in the Central Great Plains (as determined by the Agricultural Research Service) through use of skiprow cropping practices.

“(B) RESEARCH.—Research described in subparagraph (A) shall—

“(i) review existing research on skiprow cropping practices and actual production history of producers using skiprow cropping practices; and

“(ii) evaluate the effectiveness of risk management tools for producers using skiprow cropping practices, including—

“(I) the appropriateness of rules in existence as of the date of enactment of this paragraph relating to the determination of acreage planted in skiprow patterns; and

“(II) whether policies for crops produced through skiprow cropping

practices reflect actual production capabilities.”.

SEC. 1907. SURCHARGE PROHIBITION.

Section 508(d) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)) (as amended by section 1906(1)) is amended by adding at the end the following:

“(5) SURCHARGE PROHIBITION.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the Corporation may not require producers to pay a premium surcharge for using scientifically-sound sustainable and organic farming practices and systems.

“(B) EXCEPTION.—

“(i) IN GENERAL.—A surcharge may be required for individual organic crops on the basis of significant, consistent, and systemic increased risk factors (including loss history) demonstrated by published cropping system research (as applied to crop types and regions) and other relevant sources of information.

“(ii) CONSULTATION.—The Corporation shall evaluate the reliability of information described in clause (i) in consultation with independent experts in the field.”.

SEC. 11006. TARGETING RISK MANAGEMENT EDUCATION FOR BEGINNING FARMERS AND RANCHERS AND CERTAIN OTHER FARMERS AND RANCHERS.

Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

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

“(4) **TARGETING RISK MANAGEMENT EDUCATION FOR CERTAIN FARMERS AND RANCHERS.**—

“(A) **IN GENERAL.**—In carrying out the education and information program

SEC. 1922. RISK MANAGEMENT EDUCATION FOR BEGINNING FARMERS OR RANCHERS.

Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended—

(1) in paragraph (1), by striking “paragraph (4)” and inserting “paragraph (5)”;

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

“(4) **REQUIREMENTS.**—In carrying out the programs established under paragraphs (2) and (3), the Secretary shall place special emphasis on risk management strategies, education, and outreach specifically targeted at—

“(A) beginning farmers or ranchers;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

established under paragraph (2) and the partnerships for risk management education program under paragraph (3), the Secretary shall include a special emphasis on risk management strategies and education and outreach specifically targeted at farmers and ranchers described in subparagraph (B).

“(B) **COVERED FARMERS AND RANCHERS.**—Subparagraph (A) applies with respect to the following:

“(i) Beginning farmers and ranchers.

“(ii) Immigrant farmers and ranchers who are attempting to become established producers in the United States.

“(iii) Socially disadvantaged farmers and ranchers.

“(iv) Farmers and ranchers who are preparing to retire and are using transition strategies to help new farmers and ranchers get started.

“(v) Farmers and ranchers who are converting their current production and marketing systems to pursue new markets.”.

“(B) immigrant farmers or ranchers that are attempting to become established producers in the United States;

“(C) socially disadvantaged farmers or ranchers;

“(D) farmers or ranchers that—

“(i) are preparing to retire; and

“(ii) are using transition strategies to help new farmers or ranchers get started; and

“(E) new or established farmers or ranchers that are converting production and marketing systems to pursue new markets.”.

SEC. 11007. CROP INSURANCE INELIGIBILITY RELATED TO CROP PRODUCTION ON NONCROPLAND.

Section 502 of the Federal Crop Insurance Act (7 U.S.C. 1502) is amended by adding at the end the following new subsection:

“(e) **CROP INSURANCE INELIGIBILITY RELATED TO CROP PRODUCTION ON NONCROPLAND.**—

“(1) **NONCROPLAND DEFINED.**—In this subsection, the term ‘noncropland’ means native grassland and pasture the Secretary determines has never been used for crop production.

“(2) **INELIGIBILITY.**—Noncropland acreage on which an agricultural commodity for which a policy or plan of insurance is available under this title is planted shall be ineligible for crop insurance under this title for the first 4 years of planting, as determined by the Secretary.

“(3) **YIELD DETERMINATION BASED ON COUNTY ACTUAL PRODUCTION HISTORY.**—If an agricultural commodity ineligible for insurance as described in paragraph (2) is planted for 4 years, beginning with the fifth year in which the commodity is planted, the producer of the commodity may procure crop insurance for the commodity under this

SEC. 2608. CROP INSURANCE INELIGIBILITY RELATING TO CROP PRODUCTION ON NATIVE SOD.

(a) Federal Crop Insurance.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended by adding at the end the following:

“(o) Crop Insurance Ineligibility Relating to Crop Production on Native Sod.—

“(1) **DEFINITION OF NATIVE SOD.**—In this subsection, the term ‘native sod’ means land—

“(A) on which the plant cover is composed principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing; and

“(B) that has never been used for production of an agricultural commodity.

“(2) **INELIGIBILITY.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), native sod acreage on which an agricultural commodity is planted for which a policy or plan of insurance is available under this title shall be ineligible for benefits under this Act.

“(B) **DE MINIMIS ACREAGE EXEMPTION.**—

The Secretary shall exempt areas of 5 acres or less from subparagraph (A).”.

(b) Noninsured Crop Disaster Assistance.—Section 196(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)) is amended adding at the end the

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

title. The yield for such crop insurance shall be determined only—

“(A) by using the actual production history for the farm; and

“(B) for each year in which the farm does not have an actual production history, by using the average actual production history for the commodity in the county in which the farm is located.

“(4) **EFFECTIVE DATE.**—This subsection shall apply to crop years following the 2007 crop year.”.

following:

“(4) **PROGRAM INELIGIBILITY RELATING TO CROP PRODUCTION ON NATIVE SOD.**—

“(A) **DEFINITION OF NATIVE SOD.**—In this paragraph, the term ‘native sod’ means land—

“(i) on which the plant cover is composed principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing; and

“(ii) that has never been used for production of an agricultural commodity.

“(B) **INELIGIBILITY.**—Native sod acreage on which an agricultural commodity is planted for which a policy or plan of Federal crop insurance is available shall be ineligible for benefits under this section.”.

(c) **Cropland Report.**—

(1) **BASELINE.**—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the cropland acreage in each county and State, and the change in cropland acreage from the preceding year in each county and State, beginning with calendar year 1995 and including that information for the most recent year for which that information is available.

(2) **ANNUAL UPDATES.**—Not later than January 1, 2008, and each January 1 thereafter through January 1, 2012, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

(A) the cropland acreage in each county and State as of the date of submission of the report; and

(B) the change in cropland acreage from the preceding year in each county and State.

SEC. 11008. FUNDS FOR DATA MINING.

Section 515(k) of the Federal Crop Insurance Act (7 U.S.C. 1515(k)) is amended by striking paragraph (1) and inserting the following new paragraph:

“(1) **AVAILABLE FUNDS.**—To carry out this section, the Corporation may use, from amounts made available from the insurance fund established under section 516(c)—

“(A) not more than \$11,000,000 during fiscal year 2008; and

No comparable provision

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(B) not more than \$7,000,000 during fiscal year 2009 and each subsequent year thereafter.”.

No comparable provision

SEC. 1915. ACCESS TO DATA MINING INFORMATION.

(a) In General.—Section 515(j)(2) of the Federal Crop Insurance Act (7 U.S.C. 1515(j)(2)) is amended—

(1) by striking “The Secretary” and inserting the following:

“(A) IN GENERAL.—The Secretary”; and

(2) by adding at the end the following:

“(B) ACCESS TO DATA MINING INFORMATION.—

“(i) IN GENERAL.—The Secretary shall establish a fee-for-access program under which approved insurance providers pay to the Secretary a user fee in exchange for access to the data mining system established under subparagraph (A) for the purpose of assisting in fraud and abuse detection.

“(ii) PROHIBITION.—

“(I) IN GENERAL.—Except as provided in subclause (II), the Corporation shall not impose a requirement on approved insurance providers to access the data mining system established under subparagraph (A).

“(II) ACCESS WITHOUT FEE.—If the Corporation requires approved insurance providers to access the data mining system established under subparagraph (A), including for quality assurance purposes under the Standard Reinsurance Agreement, access will be provided without charge to the extent necessary to fulfill the requirements.

“(iii) ACCESS LIMITATION.—In establishing the program under clause (i), the Secretary shall ensure that an approved insurance provider has access only to information relating to the policies or plans of insurance for which the approved insurance provider provides insurance coverage, including any information relating to—

“(I) information of agents and adjusters relating to policies for which the approved insurance provider provides coverage;

“(II) the other policies or plans of an insured that are insured through

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>another approved insurance providers; and</p> <p>“(III) the policies or plans of an insured for prior crop insurance years.”.</p> <p>(b) Insurance Fund.—Section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516) is amended—</p> <p>in subsection (b), by adding at the end the following:</p> <p>“(3) DATA MINING SYSTEM.—The Corporation shall use amounts collected under section 515(j)(2)(B) to administer and carry out improvements to the data mining system under that section.”; and</p> <p>(2) in subsection (c)(1)—</p> <p>(A) by striking “and civil” and inserting “civil”; and</p> <p>(B) by inserting “and fees collected under section 515(j)(2)(B)(i),” after “section 515(h),”.</p>
<p>SEC. 11009. NONINSURED CROP ASSISTANCE PROGRAM.</p> <p>Section 196(k)(1) of the Agricultural Market Transition Act (7 U.S.C. 7333(k)(1)) is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:</p> <p>“(A) \$200 per crop per county; or</p> <p>“(B) \$600 per producer per county, but not to exceed a total of \$1,800 per producer.”.</p> <p>No comparable provision</p>	<p>SEC. 1926. INCREASE IN SERVICE FEES FOR NONINSURED CROP ASSISTANCE PROGRAM.</p> <p>Section 196(k)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(k)(1)) is amended—</p> <p>(1) in subparagraph (A), by striking “\$100” and inserting “\$200”; and</p> <p>(2) in subparagraph (B)—</p> <p>(A) by striking “\$300” and inserting “\$600”; and</p> <p>(B) by striking “\$900” and inserting “\$1,500”.</p> <p>SEC. 1925. DROUGHT COVERAGE FOR AQUACULTURE UNDER NONINSURED CROP ASSISTANCE PROGRAM.</p> <p>Section 196(c)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(c)(2)) is amended—</p> <p>(1) by striking “On making” and inserting the following:</p> <p>“(A) IN GENERAL.—On making”; and</p> <p>(2) by adding at the end the following:</p> <p>“(B) AQUACULTURE PRODUCERS.—On making a determination described in</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

subsection (a)(3) for aquaculture producers, the Secretary shall provide assistance under this section to aquaculture producers from all losses related to drought.”.

SEC. 11010. CHANGE IN DUE DATE FOR CORPORATION PAYMENTS FOR UNDERWRITING GAINS.

Effective beginning with the 2011 reinsurance year, the Federal Crop Insurance Corporation shall make payments for underwriting gains under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.)—

- (1) for the 2011 reinsurance year on October 1, 2012; and
- (2) for each reinsurance year thereafter on the October 1 of the next calendar year.

SEC. 1914. CHANGE IN DUE DATE FOR CORPORATION PAYMENTS FOR UNDERWRITING GAINS.

Section 508(k) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)) (as amended by section 1912) is amended by adding at the end the following:

“(9) DUE DATE FOR PAYMENT OF UNDERWRITING GAINS.—Effective beginning with the 2011 reinsurance year, the Corporation shall make payments for underwriting gains under this title on—

- “(A) for the 2011 reinsurance year, October 1, 2012; and
- “(B) for each reinsurance year thereafter, October 1 of the following calendar year.”.

SEC. 11011. SESAME INSURANCE PILOT PROGRAM.

(a) **PILOT PROGRAM REQUIRED.**—The Secretary of Agriculture shall establish and carry out a pilot program under which a producer of non-dehiscent sesame under contract may elect to obtain multi-peril crop insurance, as determined by the Secretary.

(b) **TERMS AND CONDITIONS.**—The multi-peril crop insurance offered under the sesame insurance pilot program shall—

- (1) be offered through reinsurance arrangements with private insurance companies;
- (2) be actuarially sound; and
- (3) require the payment of premiums and administrative fees by a producer obtaining the insurance.

(c) **LOCATION.**—The sesame insurance pilot program shall be carried out only in the State of Texas.

(d) **RELATION TO PROHIBITION ON RESEARCH AND DEVELOPMENT BY**

SEC. 1921. SESAME INSURANCE PILOT PROGRAM.

Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended by adding at the end the following

“(g) **SESAME INSURANCE PILOT PROGRAM.**--

(1) *In general.*--The Secretary of Agriculture shall establish and carry out a pilot program under which a producer of non-dehiscent sesame under contract may elect to obtain multi-peril crop insurance, as determined by the Secretary.

(2) *Terms and conditions.*--The multi-peril crop insurance offered under the sesame insurance pilot program shall--

- (A) be offered through reinsurance arrangements with private insurance companies;
- (B) be actuarially sound; and
- (C) require the payment of premiums and administrative fees by a producer obtaining the insurance.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

CORPORATION.—Section 522(e)(4) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)(4)) shall apply with respect to the sesame insurance pilot program.

(e) **DURATION.**—The Secretary shall commence the sesame insurance pilot program as soon as practicable after the date of the enactment of this Act and continue the program through the 2012 crop year.

(3) *Location.*--The sesame insurance pilot program shall be carried out only in the State of Texas.

(4) **RELATION TO PROHIBITION ON RESEARCH AND DEVELOPMENT BY CORPORATION.**--Section 522(e)(4) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)(4)) shall apply with respect to the sesame insurance pilot program.

(5) *Duration.*--The Secretary shall commence the sesame insurance pilot program as soon as practicable after the date of the enactment of this Act and continue the program through the 2012 crop year.

SEC. 11012. NATIONAL DROUGHT COUNCIL AND DROUGHT PREPAREDNESS PLANS.

(a) **DEFINITIONS.**—In this section:

(1) **COUNCIL.**—The term “Council” means the National Drought Council established by this section.

(2) **CRITICAL SERVICE PROVIDER.**—The term “critical service provider” means an entity that provides power, water (including water provided by an irrigation organization or facility), sewer services, or wastewater treatment.

(3) **DROUGHT.**—The term “drought” means a natural disaster that is caused by a deficiency in precipitation—

(A) that may lead to a deficiency in surface and subsurface water supplies (including rivers, streams, wetlands, ground water, soil moisture, reservoir supplies, lake levels, and snow pack); and

(B) that causes or may cause—

(i) substantial economic or social impacts; or

(ii) physical damage or injury to individuals, property, or the environment.

(4) **FUND.**—The term “Fund” means the Drought Assistance Fund established by this section.

(5) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

No comparable provision

(6) **INTERSTATE WATERSHED.**—The term “interstate watershed” means a watershed that transcends State or Tribal boundaries, or both.

(7) **MEMBER.**—The term “member”, with respect to the National Drought Council, means a member of the Council specified or appointed under this section or, in the absence of the member, the member’s designee.

(8) **MITIGATION.**—The term “mitigation” means a short- or long-term action, program, or policy that is implemented in advance of or during a drought to minimize any risks and impacts of drought.

(9) **NEIGHBORING COUNTRY.**—The term “neighboring country” means Canada and Mexico.

(10) **OFFICE.**—The term “Office” means the National Office of Drought Preparedness established under this section.

(11) **SECRETARY.**—The term “Secretary” means the Secretary of Agriculture.

(12) **STATE.**—The term “State” means the several States, the District of Columbia, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(13) **TRIGGER.**—The term “trigger” means the thresholds or criteria that must be satisfied before mitigation or emergency assistance may be provided to an area—

(A) in which drought is emerging; or

(B) that is experiencing a drought.

(14) **UNDER SECRETARY.**—The term “Under Secretary” means the Under Secretary of Agriculture for Natural Resources and Environment.

(15) **WATERSHED.**—The term “watershed” means a region or area with common hydrology, an area drained by a waterway that drains into a lake or reservoir, the total area above a given point on a stream that contributes water to the flow at that point, or the topographic dividing line from which surface streams flow in two different directions. In no case shall a watershed be larger than a river basin.

(16) **WATERSHED GROUP.**—The term “watershed group” means a group of individuals, formally recognized by the appropriate State or States, who represent the broad scope of relevant interests within a watershed and who work together in a collaborative manner to jointly plan the management of the natural resources contained within the watershed.

(b) **EFFECT OF SECTION.**—This section does not affect—

(1) the authority of a State to allocate quantities of water under the jurisdiction of the State; or

(2) any State water rights established as of the date of enactment of this Act.

(c) **NATIONAL DROUGHT COUNCIL.**—

(1) **ESTABLISHMENT.**—There is established in the Office of the Secretary of Agriculture a council to be known as the “National Drought Council”.

(2) **MEMBERSHIP.**—

(A) **COMPOSITION.**—The Council shall be composed of—

(i) the Secretary (or the designee of the Secretary);

(ii) the Secretary of Commerce (or the designee of the Secretary of Commerce);

(iii) the Secretary of the Army (or the designee of the Secretary of the Army);

(iv) the Secretary of the Interior (or the designee of the Secretary of the Interior);

(v) the Director of the Federal Emergency Management Agency (or the designee of the Director);

(vi) the Administrator of the Environmental Protection Agency (or the designee of the Administrator);

(vii) 4 members appointed by the Secretary, in coordination with the National Governors Association, each of whom shall be the Governor of a State (or the designee of the Governor) and who collectively shall represent the geographic diversity of the Nation;

(viii) 1 member appointed by the Secretary, in coordination with the National Association of Counties;

(ix) 1 member appointed by the Secretary, in coordination with the United States Conference of Mayors;

(x) 1 member appointed by the Secretary of the Interior, in coordination with Indian tribes, to represent the interests of tribal governments; and

(xi) 1 member appointed by the Secretary, in coordination with the National Association of Conservation Districts, to represent local soil and water conservation

districts.

(B) **DATE OF APPOINTMENT.**—The appointment of each member of the Council shall be made not later than 120 days after the date of enactment of this Act.

(3) **TERM; VACANCIES.**—

(A) **TERM.**—A non-Federal member of the Council appointed under paragraph (2) shall be appointed for a term of two years.

(B) **VACANCIES.**—A vacancy on the Council—

(i) shall not affect the powers of the Council; and

(ii) shall be filled in the same manner as the original appointment was made.

(C) **TERMS OF MEMBERS FILLING VACANCIES.**—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term.

(4) **MEETINGS.**—

(A) **IN GENERAL.**—The Council shall meet at the call of the co-chairs.

(B) **FREQUENCY.**—The Council shall meet at least semiannually.

(5) **QUORUM.**—A majority of the members of the Council shall constitute a quorum, but a lesser number may hold hearings or conduct other business.

(6) **COUNCIL LEADERSHIP.**—

(A) **IN GENERAL.**—There shall be a Federal co-chair and non-Federal co-chair of the Council.

(B) **APPOINTMENT.**—

(i) **FEDERAL CO-CHAIR.**—The Secretary shall be Federal co-chair.

(ii) **NON-FEDERAL CO-CHAIR.**—The non-Federal members of the Council shall select, on a biannual basis, a non-Federal co-chair of the Council from among the members appointed under paragraph (2).

(7) **DIRECTOR OF THE OFFICE.**—

(A) **IN GENERAL.**—The Director of the Office shall serve as Secretary of the Council.

(B) **DUTIES.**—The Director of the Office shall serve the interests of all members of the Council.

(d) **DUTIES OF THE COUNCIL.**—

(1) **IN GENERAL.**—The Council shall—

(A) not later than one year after the date of the first meeting of the Council, develop a comprehensive National Drought Policy Action Plan that—

(i) (I) delineates and integrates responsibilities for activities relating to drought (including drought preparedness, mitigation, research, risk management, training, and emergency relief) among Federal agencies; and

(II) ensures that those activities are coordinated with the activities of the States, local governments, Indian tribes, and neighboring countries;

(ii) is consistent with—

(I) this Act and other applicable Federal laws; and

(II) the laws and policies of the States for water management;

(iii) is integrated with drought management programs of the States, Indian tribes, local governments, watershed groups, and private entities; and

(iv) avoids duplicating Federal, State, tribal, local, watershed, and private drought preparedness and monitoring programs in existence on the date of enactment of this Act;

(B) evaluate Federal drought-related programs in existence on the date of enactment of this Act and make recommendations to Congress and the President on means of eliminating—

(i) discrepancies between the goals of the programs and actual service delivery;

(ii) duplication among programs; and

(iii) any other circumstances that interfere with the effective operation of the programs;

(C) make recommendations to the President, Congress, and appropriate Federal Agencies on—

(i) the establishment of common interagency triggers for authorizing Federal drought mitigation programs; and

(ii) improving the consistency and fairness of assistance among Federal drought relief programs;

(D) encourage and facilitate the development of drought preparedness plans under subtitle C, including establishing the guidelines under this section;

(E) based on a review of drought preparedness plans, develop and make available to the public drought planning models to reduce water resource conflicts relating to water conservation and droughts;

(F) develop and coordinate public awareness activities to provide the public with access to understandable, and informative materials on drought, including—

(i) explanations of the causes of drought, the impacts of drought, and the damages from drought;

(ii) descriptions of the value and benefits of land stewardship to reduce the impacts of drought and to protect the environment;

(iii) clear instructions for appropriate responses to drought, including water conservation, water reuse, and detection and elimination of water leaks;

(iv) information on State and local laws applicable to drought; and

(v) opportunities for assistance to resource-dependent businesses and industries in times of drought; and

(G) establish operating procedures for the Council.

(2) **CONSULTATION.**—In carrying out this subsection, the Council shall consult with groups affected by drought emergencies.

(3) **REPORTS TO CONGRESS.**—

(A) **ANNUAL REPORT.**—

(i) **IN GENERAL.**—Not later than one year after the date of the first meeting of the Council, and annually thereafter, the Council shall submit to Congress a report on the activities carried out under this section.

(ii) **INCLUSIONS.**—

(I) **IN GENERAL.**—The annual report shall include a summary of drought preparedness plans.

(II) **INITIAL REPORT.**—The initial report submitted under subparagraph (A) shall include any recommendations of the Council.

(B) **FINAL REPORT.**—Not later than seven years after the date of enactment of this Act, the Council shall submit to Congress a report that recommends—

- (i) amendments to this section; and
- (ii) whether the Council should continue.

(e) **POWERS OF THE COUNCIL.**—

(1) **HEARINGS.**—The Council may hold hearings, meet and act at any time and place, take any testimony and receive any evidence that the Council considers advisable to carry out this section.

(2) **INFORMATION FROM FEDERAL AGENCIES.**—

(A) **IN GENERAL.**—The Council may obtain directly from any Federal agency any information that the Council considers necessary to carry out this section.

(B) **PROVISION OF INFORMATION.**—

(i) **IN GENERAL.**—Except as provided in clause (ii), on request of the Secretary or the non-Federal co-chair of the Council, the head of a Federal agency may provide information to the Council.

(ii) **LIMITATION.**—The head of a Federal agency shall not provide any information to the Council that the Federal agency head determines the disclosure of which may cause harm to national security interests.

(3) **POSTAL SERVICES.**—The Council may use the United States mail in the same manner and under the same conditions as other agencies of the Federal Government.

(4) **GIFTS.**—The Council may accept, use, and dispose of gifts or donations of services or property.

(f) **COUNCIL PERSONNEL MATTERS.**—

(1) **COMPENSATION OF MEMBERS.**—

(A) **NON-FEDERAL EMPLOYEES.**—A member of the Council who is not an officer or employee of the Federal Government shall serve without compensation.

(B) **FEDERAL EMPLOYEES.**—A member of the Council who is an officer or

employee of the United States shall serve without compensation in addition to the compensation received for services of the member as an officer or employee of the Federal Government.

(2) **TRAVEL EXPENSES.**—A member of the Council shall be allowed travel expenses at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Council.

(g) **TERMINATION OF COUNCIL.**—The Council shall terminate at the end of the eighth fiscal year beginning on or after the date of the enactment of this Act.

(h) **NATIONAL OFFICE OF DROUGHT PREPAREDNESS.**—

(1) **ESTABLISHMENT.**—The Secretary shall establish an office to be known as the “National Office of Drought Preparedness” to provide assistance to the Council.

(2) **DIRECTOR OF THE OFFICE.**—

(A) **APPOINTMENT.**—

(i) **IN GENERAL.**—The Under Secretary shall appoint a Director of the Office under sections 3371 through 3375 of title 5, United States Code.

(ii) **QUALIFICATIONS.**—The Director of the Office shall be a person who has experience in—

(I) public administration; and

(II) drought mitigation or drought management.

(B) **POWERS.**—The Director of the Office may hire such other additional personnel or contract for services with other entities as necessary to carry out the duties of the Office.

(3) **DETAIL OF GOVERNMENT EMPLOYEES.**—

(A) **IN GENERAL.**—Except for the requirements of section 204, an employee of the Federal Government may be detailed to the Office without reimbursement, unless the Secretary, on the recommendation of the Director of the Office, determines that reimbursement is appropriate.

(B) **CIVIL SERVICE STATUS.**—The detail of an employee shall be without interruption or loss of civil service status or privilege.

(i) DROUGHT ASSISTANCE FUND.—

(1) **ESTABLISHMENT.**—There is established within the Department of Agriculture a fund to be known as the “Drought Assistance Fund”.

(2) **PURPOSE.**—The Fund shall be used to pay the costs of—

(A) providing technical and financial assistance (including grants and cooperative assistance) to States, Indian tribes, local governments, watershed groups, and critical service providers for the development and implementation of drought preparedness plans;

(B) providing to States, Indian tribes, local governments, watershed groups, and critical service providers the Federal share, as determined by the Secretary, in consultation with the other members of the Council, of the cost of mitigating the overall risk and impacts of droughts;

(C) assisting States, Indian tribes, local governments, watershed groups, and critical service providers in the development of mitigation measures to address environmental, economic, and human health and safety issues relating to drought; and

(D) expanding the technology transfer of drought and water conservation strategies and innovative water supply techniques.

(3) GUIDELINES.—

(A) **IN GENERAL.**—The Secretary, in consultation with the non-Federal co-chair of the Council and with the concurrence of the Council, shall develop and promulgate guidelines to implement this subsection.

(B) **REQUIREMENTS.**—The guidelines shall address the following:

(i) Ensure the distribution of amounts from the Fund within a reasonable period of time.

(ii) Take into consideration regional differences.

(iii) Take into consideration all impacts of drought in a balanced manner.

(iv) Prohibit the use of amounts from the Fund for Federal salaries that are not directly related to the provision of drought assistance.

(v) Require that distribution of amounts from the Fund granted to States, local governments, watershed groups, and critical service providers to meet the requirements of this subsection be coordinated with and managed by the State in which such local

government or critical service provider is located, consistent with the drought preparedness priorities and relevant water management plans within the State.

(vi) Require that distribution of amounts from the Fund granted to Indian tribes to meet the requirements of this subsection be used to implement plans that are, to the extent practicable, in coordination with each State in which lands of the Indian tribe are located and consistent with existing drought preparedness and water management plans of such States.

(vii) Require that a State, Indian tribe, local government, watershed group, or critical service provider that receives Federal funds under paragraph (2) or (3) of subsection (b) cover not less than 25 percent of the overall cost incurred in carrying out the project for which the Federal funds are provided. This cost sharing requirement may be satisfied using non-Federal grants or cash donations made by non-Federal third parties.

(4) SPECIAL REQUIREMENT FOR INTERSTATE WATERSHEDS.—

(A) DEVELOPMENT OF DROUGHT PREPAREDNESS PLANS.—In order to receive funds under this subsection to develop drought preparedness plans for interstate watersheds, the guidelines shall also require the relevant States, Indian tribes, or both, in which the watershed is located, to coordinate in the development of the drought preparedness plan. The development of such plans shall—

(i) be consistent with the relevant States’ and Tribal water laws, policies, and agreements;

(ii) be consistent and coordinated with any existing interstate stream compacts;

(iii) include the participation of any relevant watershed groups located in the relevant States, Indian tribes, or both; and

(iv) recognize that implementation of the interstate drought preparedness plan will involve further coordination among the relevant States, Indian tribes, or both, except that each State and Indian tribe has sole jurisdiction over implementation of that portion of the watershed that exists within their boundaries.

(B) IMPLEMENTATION OF DROUGHT PREPAREDNESS PLANS.—In order to receive funds under this subsection to implement drought preparedness plans for interstate watersheds, the guidelines shall also require, to the extent practicable, the relevant States, Indian tribes, or both, in which the watershed is located, to coordinate in the implementation of the drought preparedness plan, recognizing the sovereignty of the States and Indian tribes. Implementation of interstate drought preparedness plans shall—

(i) be contingent upon the existence of a drought preparedness plan, but not require the distribution of funds to all States and Indian tribes in which the watershed is located;

(ii) consider the level of impact within the watershed on each of the relevant States, Indian tribes, or both; and

(iii) not impede on State water rights established as of the date of enactment of this Act.

(j) DROUGHT PREPAREDNESS PLANS.—

(1) IN GENERAL.—The Secretary shall—

(A) with the concurrence of the Council, jointly develop guidelines for administering a national program to provide technical and financial assistance to States, Indian tribes, local governments, watershed groups, and critical service providers for the development, maintenance, and implementation of drought preparedness plans; and

(B) promulgate the guidelines developed under subparagraph (A).

(2) REQUIREMENTS.—To build on the experience and avoid duplication of efforts of Federal, State, local, tribal, and regional drought plans in existence on the date of enactment of this Act, the guidelines may recognize and incorporate those plans.

(3) FEDERAL PLANS.—

(A) **IN GENERAL.—**The Secretary and other appropriate Federal agency heads shall develop and implement Federal drought preparedness plans for agencies under the jurisdiction of the appropriate Federal agency head.

(B) **REQUIREMENTS.—**The Federal plans—

(i) shall be integrated with each other;

(ii) may be included as components of other Federal planning requirements;

(iii) shall be integrated with drought preparedness plans of State, tribal, and local governments that are affected by Federal projects and programs; and

(iv) shall be completed not later than two years after the date of the enactment of this Act.

(4) STATE AND TRIBAL PLANS.—States and Indian tribes may develop and implement State and tribal drought preparedness plans that—

(A) address monitoring of resource conditions that are related to drought;

(B) identify areas that are at a high risk for drought;

(C) describes mitigation strategies to address and reduce the vulnerability of an area to drought; and

(D) are integrated with State, tribal, and local water plans in existence on the date of enactment of this Act.

(5) **REGIONAL AND LOCAL PLANS.**—Local governments, watershed groups, and regional water providers may develop and implement drought preparedness plans that—

(A) address monitoring of resource conditions that are related to drought;

(B) identify areas that are at a high risk for drought;

(C) describe mitigation strategies to address and reduce the vulnerability of an area to drought; and

(D) are integrated with corresponding State plans.

(6) **PLAN ELEMENTS.**—A drought preparedness plan—

(A) shall be consistent with Federal and State laws, contracts, and policies;

(B) shall allow each State to continue to manage water and wildlife in the State;

(C) shall address the health, safety, and economic interests of those persons directly affected by drought;

(D) shall address the economic impact on resource-dependent businesses and industries, including regional tourism;

(E) may include—

(i) provisions for water management strategies to be used during various drought or water shortage thresholds, consistent with State water law;

(ii) provisions to address key issues relating to drought (including public health, safety, economic factors, and environmental issues such as water quality, water quantity, protection of threatened and endangered species, and fire management);

(iii) provisions that allow for public participation in the development, adoption, and implementation of drought plans;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>(iv) provisions for periodic drought exercises, revisions, and updates;</p> <p>(v) a hydrologic characterization study to determine how water is being used during times of normal water supply availability to anticipate the types of drought mitigation actions that would most effectively improve water management during a drought;</p> <p>(vi) drought triggers;</p> <p>(vii) specific implementation actions for droughts;</p> <p>(viii) a water shortage allocation plan, consistent with State water law; and</p> <p>(ix) comprehensive insurance and financial strategies to manage the risks and financial impacts of droughts; and</p> <p>(F) shall take into consideration—</p> <p>(i) the financial impact of the plan on the ability of the utilities to ensure rate stability and revenue stream; and</p> <p>(ii) economic impacts from water shortages.</p> <p>(k) AUTHORIZATION OF APPROPRIATIONS.—</p> <p>(1) COUNCIL.—There is authorized to be appropriated to carry out the activities of the Council \$2,000,000 for fiscal year 2008 and for each of the subsequent seven fiscal years.</p> <p>(2) FUND.—There are authorized to be appropriated to the Fund such sums as are necessary to carry out subsection (i).</p>	
<p>SEC. 11013. PAYMENT OF PORTION OF PREMIUM FOR AREA REVENUE PLANS.</p> <p>Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended—</p> <p>(1) in paragraph (2), in the matter preceding subparagraph (A), by striking “paragraph (4)” and inserting “paragraphs (4), (6), and (7)”; and</p> <p>(2) by adding at the end the following:</p> <p>“(6) PREMIUM SUBSIDY FOR AREA REVENUE PLANS.—Subject to paragraph (4), in the case of a policy or plan of insurance that covers losses due to a reduction in revenue</p>	<p>No comparable provision</p>

in an area, the amount of the premium paid by the Corporation shall be as follows:

“(A) In the case of additional area coverage equal to or greater than 70 percent, but less than 75 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 59 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(B) In the case of additional area coverage equal to or greater than 75 percent, but less than 85 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 55 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(C) In the case of additional area coverage equal to or greater than 85 percent, but less than 90 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 49 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(D) In the case of additional area coverage equal to or greater than 90 percent of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 44 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(7) **PREMIUM SUBSIDY FOR AREA YIELD PLANS.**—Subject to paragraph (4), in the case of a policy or plan of insurance that covers losses due to a loss of yield or prevented planting in an area, the amount of the premium paid by the Corporation shall be as

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

follows:

“(A) In the case of additional area coverage equal to or greater than 70 percent, but less than 80 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 59 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(B) In the case of additional area coverage equal to or greater than 80 percent, but less than 90 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 55 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.

“(C) In the case of additional area coverage equal to or greater than 90 percent, of the recorded county yield indemnified at not greater than 100 percent of the expected market price, the amount shall be equal to the sum of—

“(i) 51 percent of the amount of the premium established under subsection (d)(2)(B)(i) for the coverage level selected; and

“(ii) the amount determined under subsection (d)(2)(B)(ii) for the coverage level selected to cover operating and administrative expenses.”.

SEC. 11014. SHARE OF RISK.

(a) **IN GENERAL.**—Section 508(k)(3) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(3)) is amended—

(1) by striking “require the” and inserting “require—

“(A) the”;

(2) by striking the period at the end and inserting “; and”; and

No comparable provision

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>(3) by adding at the end the following:</p> <p>“(B) (i) the cumulative underwriting gain or loss, and the associated premium and losses with such amount, calculated under any reinsurance agreement (except livestock) ceded to the Corporation by each approved insurance provider to be not less than 12.5 percent; and</p> <p>“(ii) the Corporation to pay a ceding commission to reinsured companies of 2 percent of the premium used to define the loss ratio for the approved insurance provider’s book of business that is described in clause (i).”.</p> <p>(b) CONFORMING AMENDMENTS.—Section 516(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1516(a)(2)) is amended by adding at the end the following new subparagraph:</p> <p>“(E) Costs associated with the ceding commissions described in section 508(k)(3)(B)(ii).”.</p> <p>(c) EFFECTIVE DATE.—This section shall take effect on the first June 30th after the date of the enactment of this Act.</p>	
<p>SEC. 11015. LIVESTOCK ASSISTANCE.</p> <p>Notwithstanding any other provision of law, the purchase of a Non-insured Assistance Program policy shall not be a requirement to receive any Federal livestock disaster assistance.</p>	<p>No comparable provision</p>
<p>SEC. 11016. DETERMINATION OF CERTAIN SWEET POTATO PRODUCTION.</p> <p>In the case of sweet potatoes, Risk Management Agency Pilot Program data shall not be considered for purposes of determining production for the 2005–2006 Farm Service Agency Crop Disaster Program.</p>	<p>SEC. 1927. DETERMINATION OF CERTAIN SWEET POTATO PRODUCTION.</p> <p>Section 9001(d) of the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28; 121 Stat. 211) is amended—</p> <p>(1) by redesignating paragraph (8) as paragraph (9); and</p> <p>(2) by inserting after paragraph (7) the following:</p> <p>“(8) SWEET POTATOES.—</p> <p>“(A) DATA.—In the case of sweet potatoes, any data obtained under a pilot program carried out by the Risk Management Agency shall not be considered for the purpose of determining the quantity of production under the crop disaster assistance program established under this section.</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>“(B) EXTENSION OF DEADLINE.—If this paragraph is not implemented before the sign-up deadline for the crop disaster assistance program established under this section, the Secretary shall extend the deadline for producers of sweet potatoes to permit sign-up for the program in accordance with this paragraph.”.</p>
<p>No comparable provision</p>	<p>SEC. 1901. DEFINITION OF ORGANIC CROP.</p> <p>Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—</p> <ul style="list-style-type: none"> (1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and (2) by inserting after paragraph (6) the following: <p>“(7) ORGANIC CROP.—The term ‘organic crop’ means an agricultural commodity that is organically produced consistent with section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502).”.</p>
<p>No comparable provision</p>	<p>SEC. 1902. GENERAL POWERS.</p> <p>(a) In General.—Section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) is amended—</p> <ul style="list-style-type: none"> (1) in the first sentence of subsection (d), by striking “The Corporation” and inserting “Subject to section 508(j)(2)(A), the Corporation”; and (2) by striking subsection (n). <p>(b) Conforming Amendments.—</p> <ul style="list-style-type: none"> (1) Section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) is amended by redesignating subsections (o), (p), and (q) as subsections, (n), (o), and (p), respectively. (2) Section 521 of the Federal Crop Insurance Act (7 U.S.C. 1521) is amended by striking the last sentence.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>No comparable provision</p>	<p>SEC. 1903. REDUCTION IN LOSS RATIO.</p> <p>(a) Projected Loss Ratio.—Subsection (n)(2) of section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) (as redesignated by section 1902(b)(1)) is amended—</p> <ul style="list-style-type: none">(1) in the paragraph heading, by striking “AS OF OCTOBER 1, 1998”;(2) by striking “, on and after October 1, 1998,”; and(3) by striking “1.075” and inserting “1.0”. <p>(b) Premiums Required.—Section 508(d)(1) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(1)) is amended by striking “not greater than” and all that follows and inserting “not greater than—</p> <ul style="list-style-type: none">“(A) 1.1 through September 30, 1998;“(B) 1.075 for the period beginning October 1, 1998, and ending on the date of enactment of the Food and Energy Security Act of 2007; and“(C) 1.0 on and after the date of enactment of that Act.”.
<p>No comparable provision</p>	<p>SEC. 1904. CONTROLLED BUSINESS INSURANCE.</p> <p>Section 508(a) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)) is amended by adding at the end the following:</p> <p>“(9) COMMISSIONS.—</p> <ul style="list-style-type: none">“(A) DEFINITION OF IMMEDIATE FAMILY.—In this paragraph, the term ‘immediate family’ means a person’s father, mother, stepfather, stepmother, brother, sister, stepbrother, stepsister, son, daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, the spouse of the foregoing, and the person’s spouse.“(B) PROHIBITION.—No person may receive a commission or share of a commission for any policy or plan of insurance offered under this Act in which the person has a substantial beneficial interest or in which a member of the person’s immediate family has a substantial beneficial interest if, in a calendar year, the aggregate of the commissions exceeds 30 percent of the aggregate of all commissions received by the person for any policy or plan of insurance offered under this Act.“(C) REPORTING.—On the completion of the reinsurance year, any person that

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>received a commission or share of a commission for any policy or plan of insurance offered under this Act in the prior calendar year shall certify to applicable approved insurance providers that the person received the commissions in compliance with this paragraph.</p> <p>“(D) SANCTIONS.—The requirements and sanctions prescribed in section 515(h) shall apply to the prosecution of a violation of this paragraph.</p> <p>“(E) APPLICABILITY.—</p> <p>“(i) IN GENERAL.—Sanctions for violations under this paragraph shall only apply to the person directly responsible for the certification required under subparagraph (C) or the failure to comply</p> <p>with the requirements of this paragraph.</p> <p>“(ii) PROHIBITION.—No sanctions shall apply with respect to the policy or plans of insurance upon which commissions are received, including the reinsurance for those policies or plans.”.</p>
<p>No comparable provision</p>	<p>SEC 1909. ENTERPRISE AND WHOLE FARM UNITS.</p> <p>Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:</p> <p>“(6) ENTERPRISE AND WHOLE FARM UNITS.-</p> <p>“(A) IN GENERAL.-The Corporation may try out a pilot program under which the Corporation pays a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2) for policyholders that convert from a plan or policy of insurance for which the insurable unit is defined on optional or basic unit basis.</p> <p>“(B) ELIGIBILITY.-To be eligible to participate in a pilot program established under this paragraph, a policyholder shall—</p> <p>“(i) have purchased additional coverage for the 2005 crop on an optional or basic unit basis for at least 90 percent of the acreage to be covered by enterprise or whole farm unit policy for the current crop; and</p> <p>“(ii) purchase the enterprise or whole farm unit policy at not less than the highest coverage level that was purchased for the acreage for the 2005 crop.</p> <p>“(C) AMOUNT.-</p> <p>“(i) IN GENERAL.—The amount of the premium per acre paid by the</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>Corporation to a policyholder for a policy with an enterprise and whole farm unit under this paragraph shall be, to the maximum extent practicable, equal to the average dollar amount of subsidy per acre paid by the Corporation under paragraph (2) for a basic or optional unit.</p> <p>“(ii) LIMITATION.—The amount of the premium paid by the Corporation under this paragraph may not exceed the total premium for the enterprise or whole farm unit policy.</p> <p>“(D) CONVERSION OF PILOT TO A PERMANENT PROGRAM.—Not earlier than 180 days after the date of enactment of this paragraph, the Corporation may convert the pilot program described in this paragraph to a permanent program if the Corporation has—</p> <ul style="list-style-type: none"> “(i) carried out the pilot program; “(ii) analyzed the results of the pilot program; and “(iii) submitted to Congress a report describing the results of the analysis.”
<p>No comparable provision</p>	<p>SEC. 1910. DENIAL OF CLAIMS.</p> <p>Section 508(j)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(j)(2)(A)) is amended by inserting “on behalf of the Corporation” after “approved provider”.</p>
<p>No comparable provision</p>	<p>SEC. 1911. MEASUREMENT OF FARM-STORED COMMODITIES.</p> <p>Section 508(j) of the Federal Crop Insurance Act (7 U.S.C. 1508(j)) is amended by adding at the end the following:</p> <p>“(5) MEASUREMENT OF FARM-STORED COMMODITIES.—Beginning with the 2009 crop year, for the purpose of determining the amount of any insured production loss sustained by a producer and the amount of any indemnity to be paid under a plan of insurance—</p> <ul style="list-style-type: none"> “(A) a producer may elect, at the expense of the producer, to have the Farm Service Agency measure the quantity of the commodity; and “(B) the results of the measurement shall be used as the evidence of the quantity of the commodity that was produced.”.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>No comparable provision</p>	<p>SEC. 1929. MALTING BARLEY CROP INSURANCE ISSUES.</p> <p>Section 508(m) of the Federal Crop Insurance Act (7 U.S.C. 1508(m)) is amended by adding at the end the following:</p> <p>“(5) SPECIAL PROVISIONS FOR MALTING BARLEY.—The Corporation shall promulgate special provisions under this subsection specific to malting barley, taking into consideration any change in quality factors, as required by applicable market conditions.”.</p>
<p>No comparable provision</p>	<p>SEC. 1916. PRODUCER ELIGIBILITY.</p> <p>Section 520(2) of the Federal Crop Insurance Act (7 U.S.C. 1520(2)) is amended by inserting “or is a person who raises livestock owned by other persons (that is not covered by insurance under this title by another person)” after “sharecropper”.</p>
<p>No comparable provision</p>	<p>SEC. 1920. CAMELINA PILOT PROGRAM.</p> <p>(a) In General.—Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended by adding at the end the following:</p> <p>“(f) Camelina Pilot Program.—</p> <p>“(1) IN GENERAL.—Beginning with the 2008 crop year, the Corporation shall establish a pilot program under which producers or processors of camelina may propose for approval by the Board policies or plans of insurance for camelina, in accordance with section 508(h).</p> <p>“(2) DETERMINATION BY BOARD.—The Board shall approve a policy or plan of insurance proposed under paragraph (1) if, as determined by the Board, the policy or plan of insurance—</p> <p>“(A) protects the interests of producers;</p> <p>“(B) is actuarially sound; and</p> <p>“(C) meets the requirements of this title.”.</p> <p>(b) Noninsured Crop Assistance Program.—Section 196(a)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(2)) is amended by adding at the end the following:</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>“(D) CAMELINA.—</p> <p> “(i) IN GENERAL.—For each of crop years 2008 through 2011, the Secretary shall consider camelina to be an eligible crop for purposes of the noninsured crop disaster assistance program under this section.</p> <p> “(ii) LIMITATION.—Producers that are eligible to purchase camelina crop insurance, including camelina crop insurance under a pilot program, shall not be eligible for assistance under this section.”.</p>
<p>No comparable provision</p>	<p>SEC. 1923. AGRICULTURAL MANAGEMENT ASSISTANCE.</p> <p>Section 524(b)(4) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(4)) is amended by adding at end the following:</p> <p> “(C) COST-SHARING.—The Secretary may provide matching funds to any State described in paragraph (1) that appropriates a portion of the budget of the State to provide financial assistance for producer-paid premiums for crop insurance policies reinsured by the Corporation.”.</p>
<p>No comparable provision</p>	<p>SEC. 1924. CROP INSURANCE MEDIATION.</p> <p>Section 275 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6995) is amended—</p> <p>(1) by striking “If an officer” and inserting the following:</p> <p> “(a) In General.—If an officer”;</p> <p>(2) by striking “With respect to” and inserting the following:</p> <p> “(b) Farm Service Agency.—With respect to”;</p> <p>(3) by striking “If a mediation”; and inserting the following:</p> <p> “(c) Mediation.—If a mediation”; and</p> <p>(4) in subsection (c) (as so designated)—</p> <p> (A) by striking “participant shall be offered” and inserting “participant shall—</p> <p> “(1) be offered”; and</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(B) by striking the period at the end and inserting the following: “; and “(2) to the maximum extent practicable, be allowed to use both informal agency review and mediation to resolve disputes under that title.”.</p>
	<p>SEC. 1928. PERENNIAL CROP REPORT.</p> <p>Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing details about activities and administrative options of the Federal Crop Insurance Corporation and Risk Management Agency that address issues relating to—</p> <ul style="list-style-type: none"> (1) declining yields on the actual production histories of producers; and (2) declining and variable yields for perennial crops, including pecans.
	<p>SEC. 1930. DEFINITION OF BASIC UNIT.</p> <p>The Secretary shall not modify the definition of “basic unit” in accordance with the proposed regulations entitled “Common Crop Insurance Regulations (72 Fed/. Reg. 28895; relating to common crop insurance regulations) or any successor regulation.</p>
<p>No comparable provision</p>	<p>SEC. 1111. SHORT TITLE.</p> <p>This subtitle may be cited as the “Small Business Disaster Response and Loan Improvements Act of 2007”.</p> <p>SEC. 1112. DEFINITIONS.</p> <p>In this subtitle--</p> <ul style="list-style-type: none"> (1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; (2) the term “Small Business Act catastrophic national disaster” means a Small Business Act catastrophic national disaster declared under section 7(b)(11) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(3) the term ``declared disaster" means a major disaster or a Small Business Act catastrophic national disaster;</p> <p>(4) the term ``disaster area" means an area affected by a natural or other disaster, as determined for purposes of paragraph (1) or (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), during the period of such declaration;</p> <p>(5) the term ``disaster loan program of the Administration" means assistance under section 7(b) of the Small Business Act (15 U.S.C. 636(b));</p> <p>(6) the term ``disaster update period" means the period beginning on the date on which the President declares a major disaster or a Small Business Act catastrophic national disaster and ending on the date on which such declaration terminates;</p> <p>(7) the term ``major disaster" has the meaning given that term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122);</p> <p>(8) the term ``small business concern" has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632); and</p> <p>(9) the term ``State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any territory or possession of the United States.</p>
<p>No comparable provision</p>	<p>SEC. 11121. DISASTER LOANS TO NONPROFITS.</p> <p>Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (3) the following:</p> <p>``(4) LOANS TO NONPROFITS.--In addition to any other loan authorized by this subsection, the Administrator may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to a nonprofit organization located or operating in an area affected by a natural or other disaster, as determined under paragraph (1) or (2), or providing services to persons who have evacuated from any such area.".</p>
	<p>SEC. 11122. DISASTER LOAN AMOUNTS.</p> <p>(a) <i>Increased Loan Caps.</i>--Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (4), as added by this Act, the following:</p>

	<p>“(5) INCREASED LOAN CAPS.--</p> <p>“(A) AGGREGATE LOAN AMOUNTS.--Except as provided in subparagraph (B), and notwithstanding any other provision of law, the aggregate loan amount outstanding and committed to a borrower under this subsection may not exceed \$2,000,000.</p> <p>“(B) WAIVER AUTHORITY.--The Administrator may, at the discretion of the Administrator, increase the aggregate loan amount under subparagraph (A) for loans relating to a disaster to a level established by the Administrator, based on appropriate economic indicators for the region in which that disaster occurred.”.</p> <p><i>(b) Disaster Mitigation.--</i></p> <p>(1) IN GENERAL.--Section 7(b)(1)(A) of the Small Business Act (15 U.S.C. 636(b)(1)(A)) is amended by inserting “of the aggregate costs of such damage or destruction (whether or not compensated for by insurance or otherwise)” after “20 per centum”.</p> <p>(2) EFFECTIVE DATE.--The amendment made by paragraph (1) shall apply with respect to a loan or guarantee made after the date of enactment of this Act.</p> <p><i>(c) Technical Amendments.--</i>Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended--</p> <p>(1) in the matter preceding paragraph (1), by striking “the, Administration” and inserting “the Administration”;</p> <p>(2) in paragraph (2)(A), by striking “Disaster Relief and Emergency Assistance Act” and inserting “Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (in this subsection referred to as a `major disaster’)”; and</p> <p>(3) in the undesignated matter at the end--</p> <p>(A) by striking “, (2), and (4)” and inserting “and (2)”; and</p> <p>(B) by striking “, (2), or (4)” and inserting “(2)”</p>
<p>No comparable provision</p>	<p>SEC. 11123. SMALL BUSINESS DEVELOPMENT CENTER PORTABILITY GRANTS.</p> <p>Section 21(a)(4)(C)(viii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(viii)) is amended--</p> <p>(1) in the first sentence, by striking “as a result of a business or government facility downsizing or closing, which has resulted in the loss of jobs or small business instability” and inserting “due to events that have resulted or will result in, business or government facility</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>downsizing or closing"; and</p> <p>(2) by adding at the end ``At the discretion of the Administrator, the Administrator may make an award greater than \$100,000 to a recipient to accommodate extraordinary occurrences having a catastrophic impact on the small business concerns in a community</p>
<p>No comparable provision</p>	<p>SEC. 11124. ASSISTANCE TO OUT-OF-STATE BUSINESSES.</p> <p>Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended--</p> <p>(1) by striking ``At the discretion" and inserting the following: ``SMALL BUSINESS DEVELOPMENT CENTERS.--</p> <p>``(A) IN GENERAL.--At the discretion"; and</p> <p>(2) by adding at the end the following:</p> <p>``(B) DURING DISASTERS.--</p> <p>``(i) IN GENERAL.--At the discretion of the Administrator, the Administrator may authorize a small business development center to provide such assistance to small business concerns located outside of the State, without regard to geographic proximity, if the small business concerns are located in a disaster area declared under section 7(b)(2)(A).</p> <p>``(ii) CONTINUITY OF SERVICES.--A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which such small business development center otherwise provides services.</p> <p>``(iii) ACCESS TO DISASTER RECOVERY FACILITIES.--For purposes of providing disaster recovery assistance under this subparagraph, the Administrator shall, to the maximum extent practicable, permit small business development center personnel to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.".</p>
<p>No comparable provision</p>	<p>SEC. 11125. OUTREACH PROGRAMS.</p> <p>(a) <i>In General.--</i>Not later than 30 days after the date of the declaration of a disaster area, the Administrator may establish a contracting outreach and technical assistance program for small business concerns which have had a primary place of business in, or other significant presence in, such disaster area.</p> <p>(b) <i>Administrator Action.--</i>The Administrator may carry out subsection (a) by acting through--</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(1) the Administration;</p> <p>(2) the Federal agency small business officials designated under section 15(k)(1) of the Small Business Act (15 U.S.C. 644(k)(1)); or</p> <p>(3) any Federal, State, or local government entity, higher education institution, procurement technical assistance center, or private nonprofit organization that the Administrator may determine appropriate, upon conclusion of a memorandum of understanding or assistance agreement, as appropriate, with the Administrator.</p>
<p>No comparable provision</p>	<p>SEC. 11126. SMALL BUSINESS BONDING THRESHOLD.</p> <p>(a) <i>In General.</i>--Except as provided in subsection (b), and notwithstanding any other provision of law, for any procurement related to a major disaster, the Administrator may, upon such terms and conditions as the Administrator may prescribe, guarantee and enter into commitments to guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any total work order or contract amount at the time of bond execution that does not exceed \$5,000,000.</p> <p>(b) <i>Increase of Amount.</i>--Upon request of the head of any Federal agency other than the Administration involved in reconstruction efforts in response to a major disaster, the Administrator may guarantee and enter into a commitment to guarantee any security against loss under subsection (a) on any total work order or contract amount at the time of bond execution that does not exceed \$10,000,000.</p>
<p>No comparable provision</p>	<p>SEC. 11127. TERMINATION OF PROGRAM.</p> <p>Section 711(c) of the Small Business Competitive Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by inserting after "January 1, 1989" the following: "", and shall terminate on the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007".</p>
<p>No comparable provision</p>	<p>SEC. 11128. INCREASING COLLATERAL REQUIREMENTS.</p> <p>Section 7(c)(6) of the Small Business Act (15 U.S.C. 636(c)(6)) is amended by striking "\$10,000 or less" and inserting "\$14,000 or less (or such higher amount as the Administrator determines appropriate in the event of a Small Business Act catastrophic national disaster</p>

	declared under subsection (b)(11))".
No comparable provision	<p>SEC. 11129. PUBLIC AWARENESS OF DISASTER DECLARATION AND APPLICATION PERIODS.</p> <p>(a) <i>In General.</i>--Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (5), as added by this Act, the following:</p> <p>“(6) COORDINATION WITH FEMA.--</p> <p>“(A) IN GENERAL.--Notwithstanding any other provision of law, for any disaster (including a Small Business Act catastrophic national disaster) declared under this subsection or major disaster, the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall ensure, to the maximum extent practicable, that all application periods for disaster relief under this Act correspond with application deadlines established under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or as extended by the President.</p> <p>“(B) DEADLINES.--Notwithstanding any other provision of law, not later than 10 days before the closing date of an application period for a major disaster (including a Small Business Act catastrophic national disaster), the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that includes—</p> <p>“(i) the deadline for submitting applications for assistance under this Act relating to that major disaster;</p> <p>“(ii) information regarding the number of loan applications and disbursements processed by the Administrator relating to that major disaster for each day during the period beginning on the date on which that major disaster was declared and ending on the date of that report; and</p> <p>“(iii) an estimate of the number of potential applicants that have not submitted an application relating to that major disaster.</p> <p>“(7) PUBLIC AWARENESS OF DISASTERS.--If a disaster (including a Small Business Act catastrophic national disaster) is declared under this subsection, the Administrator shall make every effort to communicate through radio, television, print, and web-based outlets, all relevant information needed by disaster loan applicants, including--</p> <p>“(A) the date of such declaration;</p> <p>“(B) cities and towns within the area of such declaration;</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

``(C) loan application deadlines related to such disaster;

``(D) all relevant contact information for victim services available through the Administration (including links to small business development center websites);

``(E) links to relevant Federal and State disaster assistance websites, including links to websites providing information regarding assistance available from the Federal Emergency Management Agency;

``(F) information on eligibility criteria for Administration loan programs, including where such applications can be found; and

``(G) application materials that clearly state the function of the Administration as the Federal source of disaster loans for homeowners and renters.".

(b) *Marketing and Outreach.*--Not later than 90 days after the date of enactment of this Act, the Administrator shall create a marketing and outreach plan that--

- (1) encourages a proactive approach to the disaster relief efforts of the Administration;
- (2) makes clear the services provided by the Administration, including contact information, application information, and timelines for submitting applications, the review of applications, and the disbursement of funds;
- (3) describes the different disaster loan programs of the Administration, including how they are made available and the eligibility requirements for each loan program;
- (4) provides for regional marketing, focusing on disasters occurring in each region before the date of enactment of this Act, and likely scenarios for disasters in each such region; and
- (5) ensures that the marketing plan is made available at small business development centers and on the website of the Administration.

No comparable provision

SEC. 11130. CONSISTENCY BETWEEN ADMINISTRATION REGULATIONS AND STANDARD OPERATING PROCEDURES.

(a) *In General.*--The Administrator shall, promptly following the date of enactment of this Act, conduct a study of whether the standard operating procedures of the Administration for loans offered under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) are consistent

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>with the regulations of the Administration for administering the disaster loan program.</p> <p>(b) <i>Report.</i>--Not later than 180 days after the date of enactment of this Act, the Administration shall submit to Congress a report containing all findings and recommendations of the study conducted under subsection (a).</p>
<p>No comparable provision</p>	<p>SEC. 11131. PROCESSING DISASTER LOANS</p> <p>(a) Authority for Qualified Private Contractors To Process Disaster Loans.--Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (7), as added by this Act, the following:</p> <p>“(8) AUTHORITY FOR QUALIFIED PRIVATE CONTRACTORS.--</p> <p>“(A) DISASTER LOAN PROCESSING.--The Administrator may enter into an agreement with a qualified private contractor, as determined by the Administrator, to process loans under this subsection in the event of a major disaster or a Small Business Act catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the contractor a fee for each loan processed.</p> <p>“(B) LOAN LOSS VERIFICATION SERVICES.--The Administrator may enter into an agreement with a qualified lender or loss verification professional, as determined by the Administrator, to verify losses for loans under this subsection in the event of a major disaster or a Small Business Act catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the lender or verification professional a fee for each loan for which such lender or verification professional verifies losses.”.</p> <p>(b) Coordination of Efforts Between the Administrator and the Internal Revenue Service To Expedite Loan Processing.--The Administrator and the Commissioner of Internal Revenue shall, to the maximum extent practicable, ensure that all relevant and allowable tax records for loan approval are shared with loan processors in an expedited manner, upon request by the Administrator.</p>
<p>No comparable provision</p>	<p>SEC. 11132. DEVELOPMENT AND IMPLEMENTATION OF MAJOR DISASTER RESPONSE PLAN.</p> <p>(a) <i>In General.</i>--Not later than 3 months after the date of enactment of this Act, the Administrator shall--</p> <p>(1) by rule, amend the 2006 Atlantic hurricane season disaster response plan of the Administration (in this section referred to as the “disaster response plan”) to apply to major disasters; and</p>

(2) submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing the amendments to the disaster response plan.

(b) *Contents.*--The report required under subsection (a)(2) shall include--

(1) any updates or modifications made to the disaster response plan since the report regarding the disaster response plan submitted to Congress on July 14, 2006;

(2) a description of how the Administrator plans to utilize and integrate District Office personnel of the Administration in the response to a major disaster, including information on the utilization of personnel for loan processing and loan disbursement;

(3) a description of the disaster scalability model of the Administration and on what basis or function the plan is scaled;

(4) a description of how the agency-wide Disaster Oversight Council is structured, which offices comprise its membership, and whether the Associate Deputy Administrator for Entrepreneurial Development of the Administration is a member;

(5) a description of how the Administrator plans to coordinate the disaster efforts of the Administration with State and local government officials, including recommendations on how to better incorporate State initiatives or programs, such as State-administered bridge loan programs, into the disaster response of the Administration;

(6) recommendations, if any, on how the Administration can better coordinate its disaster response operations with the operations of other Federal, State, and local entities;

(7) any surge plan for the disaster loan program of the Administration in effect on or after August 29, 2005

(including surge plans for loss verification, loan processing, mailroom, customer service or call center operations, and a continuity of operations plan);

(8) the number of full-time equivalent employees and job descriptions for the planning and disaster response staff of the Administration;

(9) the in-service and pre-service training procedures for disaster response staff of the Administration;

(10) information on the logistical support plans of the Administration (including equipment and staffing needs, and detailed information on how such plans will be scalable depending on the size and scope of the major disaster;

	<p>(11) a description of the findings and recommendations of the Administrator, if any, based on a review of the response of the Administration to Hurricane Katrina of 2005, Hurricane Rita of 2005, and Hurricane Wilma of 2005; and</p> <p>(12) a plan for how the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, will coordinate the provision of accommodations and necessary resources for disaster assistance personnel to effectively perform their responsibilities in the aftermath of a major disaster.</p> <p>(c) <i>Exercises.</i>--Not later than 6 months after the date of the submission of the report under subsection (a)(2), the Administrator shall develop and execute simulation exercises to demonstrate the effectiveness of the amended disaster response plan required under this section.</p>
<p>No comparable provision</p>	<p>SEC. 11133. DISASTER PLANNING RESPONSIBILITIES.</p> <p>(a) <i>Assignment of Small Business Administration Disaster Planning Responsibilities.</i>--The Administrator shall specifically assign the disaster planning</p> <p>(b) responsibilities described in subsection (b) to an employee of the Administration who--</p> <p>(1) is not an employee of the Office of Disaster Assistance of the Administration;</p> <p>(2) shall report directly to the Administrator; and</p> <p>(3) has a background and expertise demonstrating significant experience in the area of disaster planning.</p> <p>(b) <i>Responsibilities.</i>--The responsibilities described in this subsection are--</p> <p>(1) creating and maintaining the comprehensive disaster response plan of the Administration;</p> <p>(2) ensuring in-service and pre-service training procedures for the disaster response staff of the Administration;</p> <p>(3) coordinating and directing Administration training exercises, including mock disaster responses, with other Federal agencies; and</p> <p>(4) other responsibilities, as determined by the Administrator.</p>

(c) *Report.*--Not later than 30 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing--

(1) a description of the actions of the Administrator to assign an employee under subsection (a);

(2) information detailing the background and expertise of the employee assigned under subsection (a); and

(3) information on the status of the implementation of the responsibilities

Administrator shall specifically assign the disaster planning

(c) responsibilities described in subsection (b) to an employee of the Administration who--

(1) is not an employee of the Office of Disaster Assistance of the Administration;

(2) shall report directly to the Administrator; and

(3) has a background and expertise demonstrating significant experience in the area of disaster planning.

(b) *Responsibilities.*--The responsibilities described in this subsection are--

(1) creating and maintaining the comprehensive disaster response plan of the Administration;

(2) ensuring in-service and pre-service training procedures for the disaster response staff of the Administration;

(3) coordinating and directing Administration training exercises, including mock disaster responses, with other Federal agencies; and

(4) other responsibilities, as determined by the Administrator.

(c) *Report.*--Not later than 30 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing--

(1) a description of the actions of the Administrator to assign an employee under subsection (a);

(2) information detailing the background and expertise of the employee assigned under subsection (a); and

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(4) information on the status of the implementation of the responsibilities described in subsection (b).</p>
<p>No comparable provision</p>	<p>SEC. 11134. ADDITIONAL AUTHORITY FOR DISTRICT OFFICES OF THE ADMINISTRATION.</p> <p>(a) <i>In General.</i>--Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (8), as added by this Act, the following:</p> <p>“(9) USE OF DISTRICT OFFICES.--In the event of a major disaster, the Administrator may authorize a district office of the Administration to process loans under paragraph (1) or (2).”.</p> <p>(b) <i>Designation.</i>--</p> <p>(1) IN GENERAL.--The Administrator may designate an employee in each district office of the Administration to act as a disaster loan liaison between the disaster processing center and applicants under the disaster loan program of the Administration.</p> <p>(2) RESPONSIBILITIES.--Each employee designated under paragraph (1) shall--</p> <p>(A) be responsible for coordinating and facilitating communications between applicants under the disaster loan program of the Administration and disaster loan processing staff regarding documentation and information required for completion of an application; and</p> <p>(B) provide information to applicants under the disaster loan program of the Administration regarding additional services and benefits that may be available to such applicants to assist with recovery.</p> <p>(3) OUTREACH.--In providing outreach to disaster victims following a declared disaster, the Administrator shall make disaster victims aware of--</p> <p>(A) any relevant employee designated under paragraph (1); and</p> <p>(B) how to contact that employee.</p>
<p>No comparable provision</p>	<p>SEC. 11135. ASSIGNMENT OF EMPLOYEES OF THE OFFICE OF DISASTER ASSISTANCE AND DISASTER CADRE.</p> <p>(a) <i>In General.</i>--Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by</p>

	<p>inserting immediately after paragraph (9), as added by this Act, the following:</p> <p>“(10) DISASTER ASSISTANCE EMPLOYEES.--</p> <p>“(A) IN GENERAL.--In carrying out this section, the Administrator may, where practicable, ensure that the number of full-time equivalent employees--</p> <p>“(i) in the Office of the Disaster Assistance is not fewer than 800; and</p> <p>“(ii) in the Disaster Cadre of the Administration is not fewer than 750.</p> <p>“(B) REPORT.--In carrying out this subsection, if the number of full-time employees for either the Office of Disaster Assistance or the Disaster Cadre of the Administration is below the level described in subparagraph (A) for that office, not later than 21 days after the date on which that staffing level decreased below the level described in subparagraph (A), the Administrator shall submit to the Committee on Appropriations and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Appropriations and Committee on Small Business of the House of Representatives, a report--</p> <p>“(i) detailing staffing levels on that date;</p> <p>“(ii) requesting, if practicable and determined appropriate by the Administrator, additional funds for additional employees; and</p> <p>“(iii) containing such additional information, as determined appropriate by the Administrator.”.</p>
<p>No comparable provision</p>	<p>SEC. 11141. SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTER DECLARATION.</p> <p>Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (10), as added by this Act, the following:</p> <p>“(11) SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTERS.--</p> <p>“(A) IN GENERAL.--The President may make a Small Business Act catastrophic national disaster declaration in accordance with this paragraph.</p> <p>“(B) PROMULGATION OF RULES.--</p> <p>“(i) IN GENERAL.--Not later than 6 months after the date of enactment of this paragraph, the Administrator, with the concurrence of the Secretary of Homeland Security and the</p>

Administrator of the Federal Emergency Management Agency, shall promulgate regulations establishing a threshold for a Small Business Act catastrophic national disaster declaration.

“(i) **CONSIDERATIONS.**--In promulgating the regulations required under clause (i), the Administrator shall establish a threshold that--

“(I) requires that the incident for which the President declares a Small Business Act catastrophic national disaster declaration under this paragraph has resulted in extraordinary levels of casualties or damage or disruption

severely affecting the population (including mass evacuations), infrastructure, environment, economy, national morale, or government functions in an area and the disaster should be similar in size and scope to the events relating to the terrorist attack of September 11, 2001, and the Hurricane Katrina of 2005;

“(II) requires that the President declares a major disaster before making a Small Business Act catastrophic national disaster declaration under this paragraph;

“(III) requires consideration of--

“(aa) the dollar amount per capita of damage to the State, its political subdivisions, or a region;

“(bb) the number of small business concerns damaged, physically or economically, as a direct result of the event;

“(cc) the number of individuals and households displaced from their predisaster residences by the event;

“(dd) the severity of the impact on employment rates in the State, its political subdivisions, or a region;

“(ee) the anticipated length and difficulty of the recovery process;

“(ff) whether the events leading to the relevant major disaster declaration are of an unusually large and calamitous nature that is orders of magnitude larger than for an average major disaster; and

“(gg) any other factor determined relevant by the Administrator.

“(C) **AUTHORIZATION.**--If the President makes a Small Business Act catastrophic national disaster declaration under this paragraph, the Administrator may make such loans under this paragraph (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to small business concerns located anywhere in the United States that

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>are economically adversely impacted as a result of that Small Business Act catastrophic national disaster.</p> <p>“(D) LOAN TERMS.--A loan under this paragraph shall be made on the same terms as a loan under paragraph (2).”.</p>
<p>No comparable provision</p>	<p>SEC. 11142. PRIVATE DISASTER LOANS.</p> <p>(a) <i>In General.</i>--Section 7 of the Small Business Act (15 U.S.C. 636) is amended--</p> <p>(1) by re-designating subsections (c) and (d) as subsections (d) and (e), respectively; and</p> <p>(2) by inserting after subsection (b) the following:</p> <p>“(c) <i>Private Disaster Loans.</i>--</p> <p>“(1) DEFINITIONS.--In this subsection--</p> <p>“(A) the term ‘disaster area’ means any area for which the President declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) that subsequently results in the President making a Small Business Act catastrophic national disaster declaration under subsection (b)(11);</p> <p>“(B) the term ‘eligible small business concern’ means a business concern that is--</p> <p>“(i) a small business concern, as defined in this Act; or</p> <p>“(ii) a small business concern, as defined in section 103 of the Small Business Investment Act of 1958; and</p> <p>“(C) the term ‘qualified private lender’ means any privately-owned bank or other lending institution that the Administrator determines meets the criteria established under paragraph (9).</p> <p>“(2) AUTHORIZATION.--The Administrator may guarantee timely payment of principal and interest, as scheduled on any loan issued by a qualified private lender to an eligible small business concern located in a disaster area.</p> <p>“(3) USE OF LOANS.--A loan guaranteed by the Administrator under this subsection may be used for any purpose authorized under subsection (b).</p> <p>“(4) ONLINE APPLICATIONS.--</p> <p>“(A) ESTABLISHMENT.--The Administrator may establish, directly or through an agreement with another entity, an online application process for loans guaranteed under this</p>

subsection.

“(B) **OTHER FEDERAL ASSISTANCE.**--The Administrator may coordinate with the head of any other appropriate Federal agency so that any application submitted through an online application process established under this paragraph may be considered for any other Federal assistance program for disaster relief.

“(C) **CONSULTATION.**--In establishing an online application process under this paragraph, the Administrator shall consult with appropriate persons from the public and private sectors, including private lenders.

“(5) **MAXIMUM AMOUNTS.**--

“(A) **GUARANTEE PERCENTAGE.**--The Administrator may guarantee not more than 85 percent of a loan under this subsection.

“(B) **LOAN AMOUNTS.**--The maximum amount of a loan guaranteed under this subsection shall be \$2,000,000.

“(6) **LOAN TERM.**--The longest term of a loan for a loan guaranteed under this subsection shall be--

“(A) 15 years for any loan that is issued without collateral; and

“(B) 25 years for any loan that is issued with collateral.

“(7) **FEES.**--

“(A) **IN GENERAL.**--The Administrator may not collect a guarantee fee under this subsection.

“(B) **ORIGINATION FEE.**--The Administrator may pay a qualified private lender an origination fee for a loan guaranteed under this subsection in an amount agreed upon in advance between the qualified private lender and the Administrator.

“(8) **DOCUMENTATION.**--A qualified private lender may use its own loan documentation for a loan guaranteed by the Administrator, to the extent authorized by the Administrator. The ability of a lender to use its own loan documentation for a loan guaranteed under this subsection shall not be considered part of the criteria for becoming a qualified private lender under the regulations promulgated under paragraph (9).

“(9) **IMPLEMENTATION REGULATIONS.**--

“(A) **IN GENERAL.**--Not later than 1 year after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall

issue final regulations establishing permanent criteria for qualified private lenders.

“(B) **REPORT TO CONGRESS.**--Not later than 6 months after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall submit a report on the progress of the regulations required by subparagraph (A) to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives.

“(10) **AUTHORIZATION OF APPROPRIATIONS.**--

“(A) **IN GENERAL.**--Amounts necessary to carry out this subsection shall be made available from amounts appropriated to the Administration to carry out subsection (b).

“(B) **AUTHORITY TO REDUCE INTEREST RATES.**--Funds appropriated to the Administration to

carry out this subsection, may be used by the Administrator, to the extent available, to reduce the rate of interest for any loan guaranteed under this subsection by not more than 3 percentage points.

“(11) **PURCHASE OF LOANS.**--The Administrator may enter into an agreement with a qualified private lender to purchase any loan issued under this subsection.”.

(b) *Effective Date.*--The amendments made by this section shall apply to disasters declared under section 7(b)(2) of the Small Business Act (631 U.S.C. 636(b)(2)) before, on, or after the date of enactment of this Act.

SEC. 11143. TECHNICAL AND CONFORMING AMENDMENTS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended--

(1) in section 4(c)--

(A) in paragraph (1), by striking “7(c)(2)” and inserting “7(d)(2)”; and

(B) in paragraph (2)--

(i) by striking “7(c)(2)” and inserting “7(d)(2)”; and

(ii) by striking “7(e),”; and

(2) in section 7(b), in the undesignated matter following paragraph (3)--

(A) by striking “That the provisions of paragraph (1) of subsection (c)” and inserting “That

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>the provisions of paragraph (1) of subsection (d)"; and</p> <p>(B) by striking "Notwithstanding the provisions of any other law the interest rate on the Administration's share of any loan made under subsection (b) except as provided in subsection (c)," and inserting "Notwithstanding any other provision of law, and except as provided in subsection (d), the interest rate on the Administration's share of any loan made under subsection (b)".</p>
No comparable provision	<p>SEC. 11144. EXPEDITED DISASTER ASSISTANCE LOAN PROGRAM.</p> <p>(a) <i>Definitions.</i>--In this section--</p> <p>(1) the term "immediate disaster assistance" means assistance provided during the period beginning on the date on which the President makes a Small Business Act catastrophic disaster declaration under paragraph (11) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act, and ending on the date that an impacted small business concern is able to secure funding through insurance claims, Federal assistance programs, or other sources; and</p> <p>(2) the term "program" means the expedited disaster assistance business loan program established under subsection (b).</p> <p>(b) <i>Creation of Program.</i>--The Administrator shall take such administrative action as is necessary to establish and implement an expedited disaster assistance business loan program to provide small business concerns with immediate disaster assistance under paragraph (11) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act.</p> <p>(c) <i>Consultation Required.</i>--In establishing the program, the Administrator shall consult with--</p> <p>(1) appropriate personnel of the Administration (including District Office personnel of the Administration);</p> <p>(2) appropriate technical assistance providers (including small business development centers);</p> <p>(3) appropriate lenders and credit unions;</p> <p>(4) the Committee on Small Business and Entrepreneurship of the Senate; and</p> <p>(5) the Committee on Small Business of the House of Representatives.</p> <p>(d) <i>Rules.</i>--</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(1) **IN GENERAL.**--Not later than 1 year after the date of enactment of this Act, the Administrator shall issue rules in final form establishing and implementing the program in accordance with this section. Such rules shall apply as provided for in this section, beginning 90 days after their issuance in final form.

(2) **CONTENTS.**--The rules promulgated under paragraph (1) shall--

(A) identify whether appropriate uses of funds under the program may include--

- (i) paying employees;
- (ii) paying bills and other financial obligations;
- (iii) making repairs;
- (iv) purchasing inventory;
- (v) restarting or operating a small business concern in the community in which it was conducting operations prior to the declared disaster, or to a neighboring area, county, or parish in the disaster area; or
- (vi) covering additional costs until the small business concern is able to obtain funding through insurance claims, Federal assistance programs, or other sources; and

(B) set the terms and conditions of any loan made under the program, subject to paragraph (3).

(3) **TERMS AND CONDITIONS.**--A loan made by the Administration under this section--

(A) shall be for not more than \$150,000;

No comparable provision

SEC. 11145. HUBZONES.

(a) In General.--Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended--

(1) in paragraph (1)--

- (A) in subparagraph (D), by striking ``or'';
- (B) in subparagraph (E), by striking the period at the end and inserting a semicolon; and
- (C) by adding at the end the following:

``(F) areas in which the President has declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42

U.S.C. 5122)) as a result of Hurricane Katrina of August 2005 or Hurricane Rita of September 2005, during the time period described in paragraph (8); or

“(G) Small Business Act catastrophic national disaster areas.”;

(2) in paragraph (4), by adding at the end the following:

“(E) **SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTER AREA.**--

“(i) **IN GENERAL.**--The term ‘Small Business Act catastrophic national disaster area’ means an area--

“(I) affected by a Small Business Act catastrophic national disaster declared under section 7(b)(11), during the time period described in clause (ii); and

“(II) for which the Administrator determines that designation as a HUBZone would substantially contribute to the reconstruction and recovery effort in that area.

“(ii) **TIME PERIOD.**--The time period for the purposes of clause (i)--

“(I) shall be the 2-year period beginning on the date that the applicable Small Business Act catastrophic national disaster was declared under section 7(b)(11); and

“(II) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in subclause (I).”; and

(3) by adding at the end the following:

“(8) **TIME PERIOD.**--The time period for the purposes of paragraph (1)(F)--

“(A) shall be the 2-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007; and

“(B) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007.”.

(b) *Tolling of Graduation.*--Section 7(j)(10)(C) of the Small Business Act (15 U.S.C. 636(j)(10)(C)) is amended by adding at the end the following:

“(iii)(I) For purposes of this subparagraph, if the Administrator designates an area as a HUBZone under section 3(p)(4)(E)(i)(II), the Administrator shall not count the time period described in subclause (II) of this clause for any small business concern--

“(aa) that is participating in any program, activity, or contract under section 8(a); and

“(bb) the principal place of business of which is located in that area.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>“(II) The time period for purposes of subclause (I)--</p> <p>“(aa) shall be the 2-year period beginning on the date that the applicable Small Business Act catastrophic national disaster was declared under section 7(b)(11); and</p> <p>“(bb) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in item (aa).”.</p> <p>(c) <i>Study of HUBZone Disaster Areas.</i>--Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives evaluating the designation by the Administrator of Small Business Act catastrophic national disaster areas, as that term is defined in section 3(p)(4)(E) of the Small Business Act (as added by this Act), as HUBZones.</p>
<p>No comparable provision</p>	<p>PART III--DISASTER ASSISTANCE OVERSIGHT</p> <p>SEC. 11161. CONGRESSIONAL OVERSIGHT.</p> <p>(a) <i>Monthly Accounting Report to Congress.</i>--</p> <p>(1) REPORTING REQUIREMENTS.--Not later than the fifth business day of each month during the applicable period for a major disaster, the Administrator shall provide to the Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate and to the Committee on Small Business and the Committee on Appropriations of the House of Representatives a report on the operation of the disaster loan program authorized under section 7 of the Small Business Act (15 U.S.C. 636) for that major disaster during the preceding month.</p> <p>(2) CONTENTS.--Each report under paragraph (1) shall include--</p> <p>(A) the daily average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);</p> <p>(B) the weekly average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);</p> <p>(C) the amount of funding spent over the month for loans, both in appropriations and program level, and the percent by which each category has increased or decreased since the previous report under paragraph (1);</p> <p>(D) the amount of funding available for loans, both in appropriations and program level, and</p>

the percent by which each category has increased or decreased since the previous report under paragraph (1), noting the source of any additional funding;

(E) an estimate of how long the available funding for such loans will last, based on the spending rate;

(F) the amount of funding spent over the month for staff, along with the number of staff, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(G) the amount of funding spent over the month for administrative costs, and the percent by which such spending has increased or decreased since the previous report under paragraph (1);

(H) the amount of funding available for salaries and expenses combined, and the percent by which such funding has increased or decreased since the previous

report under paragraph (1), noting the source of any additional funding; and

(I) an estimate of how long the available funding for salaries and expenses will last, based on the spending rate.

(b) *Daily Disaster Updates to Congress for Presidentially Declared Disasters.--*

(1) **IN GENERAL.**--Each day during a disaster update period, excluding Federal holidays and weekends, the Administration shall provide to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives a report on the operation of the disaster loan program of the Administration for the area in which the President declared a major disaster.

(2) **CONTENTS.**--Each report under paragraph (1) shall include--

(A) the number of Administration staff performing loan processing, field inspection, and other duties for the declared disaster, and the allocations of such staff in the disaster field offices, disaster recovery centers, workshops, and other Administration offices nationwide;

(B) the daily number of applications received from applicants in the relevant area, as well as a breakdown of such figures by State;

(C) the daily number of applications pending application entry from applicants in the relevant area, as well as a breakdown of such figures by State;

(D) the daily number of applications withdrawn by applicants in the relevant area, as well as a breakdown of such figures by State;

(E) the daily number of applications summarily declined by the Administration from

applicants in the relevant area, as well as a breakdown of such figures by State;

(F) the daily number of applications declined by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(G) the daily number of applications in process from applicants in the relevant area, as well as a breakdown of such figures by State;

(H) the daily number of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(I) the daily dollar amount of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(J) the daily amount of loans dispersed, both partially and fully, by the Administration to applicants in the relevant area, as well as a breakdown of such figures by State;

(K) the daily dollar amount of loans disbursed, both partially and fully, from the relevant area, as well as a breakdown of such figures by State;

(L) the number of applications approved, including dollar amount approved, as well as applications partially and fully disbursed, including dollar amounts, since the last report under paragraph (1); and

(M) the declaration date, physical damage closing date, economic injury closing date, and number of counties included in the declaration of a major disaster.

(c) *Notice of the Need for Supplemental Funds.*--On the same date that the Administrator notifies any committee of the Senate or the House of Representatives that supplemental funding is necessary for the disaster loan program of the Administration in any fiscal year, the Administrator shall notify in writing the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the need for supplemental funds for that loan program.

(d) *Report on Contracting.*--

(1) **IN GENERAL.**--Not later than 6 months after the date on which the President declares a major disaster, and every 6 months thereafter until the date that is 18 months after the date on which the

major disaster was declared, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives regarding Federal contracts awarded as a result of that major disaster.

(2) **CONTENTS.**--Each report submitted under paragraph (1) shall include--

- (A) the total number of contracts awarded as a result of that major disaster;
- (B) the total number of contracts awarded to small business concerns as a result of that major disaster;
- (C) the total number of contracts awarded to women and minority-owned businesses as a result of that major disaster; and
- (D) the total number of contracts awarded to local businesses as a result of that major disaster.

(e) *Report on Loan Approval Rate.*--

(1) **IN GENERAL.**--Not later than 6 months after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing how the Administration can improve the processing of applications under the disaster loan program of the Administration.

(2) **CONTENTS.**--The report submitted under paragraph (1) shall include--

- (A) recommendations, if any, regarding--
 - (i) staffing levels during a major disaster;
 - (i) how to improve the process for processing, approving, and disbursing loans under the disaster loan program of the Administration, to ensure that the maximum assistance is provided to victims in a timely manner;
 - (iii) the viability of using alternative methods for assessing the ability of an applicant to repay a loan, including the credit score of the applicant on the day before the date on which the disaster for which the applicant is seeking assistance was declared;
 - (iv) methods, if any, for the Administration to expedite loss verification and loan processing of disaster loans during a major disaster for businesses affected by, and located in the area for which the President declared, the major disaster that are a major source of employment in the area or are vital to recovery efforts in the region (including providing debris removal services, manufactured housing, or building materials);
 - (v) legislative changes, if any, needed to implement findings from the Accelerated Disaster Response Initiative of the Administration; and

(vi) a description of how the Administration plans to integrate and coordinate the response to a major disaster with the technical assistance programs of the Administration; and

(B) the plans of the Administrator for implementing any recommendation made under subparagraph (A).

Subtitle B—Livestock and Poultry

**SUBTITLE A--MARKETING
SEC. 10001 LIVESTOCK MANDATORY REPORTING**

(a) Mandatory Reporting for Swine- Section 232(c)(3) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1635j(c)(3)) is amended--

- (1) in subparagraph (A), by striking `2:00 p.m.' and inserting `3:00 p.m.'; and
- (2) in subparagraph (B), by striking `3:00 p.m.' and inserting `4:00 p.m.'.

(b) Mandatory Packer Reporting of Pork Products Sales-

(1) IN GENERAL- Section 232 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1635j) is amended by adding at the end the following:

`(f) Mandatory Packer Reporting of Pork Products Sales-

`(1) IN GENERAL- Beginning not earlier than the date on which the report under section 10001(b)(2)(C) of the Food and Energy Security Act of 2007 is submitted, the Secretary may require the corporate officers or officially designated representative of each packer processing plant to report to the Secretary at least twice each reporting day (not less than once before, and once after, 12:00 noon Central Time) information on total pork products sales, including price and volume information as specified by the Secretary.

`(2) PUBLICATION- The Secretary shall make available to the public any information required to be reported under subparagraph (A) (including information on pork cuts and retail-ready pork products) not less than twice each reporting day.'.

(2) STUDY AND REPORT-

(A) STUDY- The Secretary shall conduct a study on the effects of requiring packer processing plants to report to the Secretary information on total pork products sales (including price and volume information), including—

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(i) the positive or negative economic effects on producers and consumers; and (ii) the effects of a confidentiality requirement on mandatory reporting.</p> <p>(B) INFORMATION- The Secretary may collect such information as is necessary to enable the Secretary to conduct the study required under subparagraph (A).</p> <p>(C) REPORT- Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the study conducted under subparagraph (A).</p> <p>(c) Publication of Information on Retail Purchase Prices for Representative Meat Products- Section 257(a) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1636f(a)) is amended by inserting `and continuing not less than each month thereafter' after `this subtitle'.</p>
<p>No provision.</p>	<p>SEC. 10002. GRADING AND INSPECTION.</p> <p>(a) Grading- Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended--</p> <ul style="list-style-type: none">(1) by redesignating subsection (n) as subsection (o); and(2) by inserting after subsection (m) the following: <p> `(n) Grading Program- To establish, within the Agricultural Marketing Service, a voluntary grading program for farm-raised animals described in section 10806(a)(1) of the Farm Security and Rural Investment Act of 2002 (21 U.S.C. 321d(a)(1)).'.</p> <p>(b) Amenable Species- Section 1(w) of the Federal Meat Inspection Act (21 U.S.C. 601(w)) is amended—</p> <ul style="list-style-type: none">(1) in paragraph (1), by striking `and' at the end;(2) by redesignating paragraph (2) as paragraph (3); and(3) by inserting after paragraph (1) the following: <p> `(2) farm-raised animals described in section 10806(a)(1) of the Farm Security and Rural Investment Act of 2002 (21 U.S.C. 321d(a)(1)); and'.</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(c) Existing Activities- The Secretary shall ensure that nothing in an amendment made by this section duplicates, impedes, or undermines any of the food safety or product grading activities conducted by the Department of Commerce or the Food and Drug Administration, and shall consult with the Secretary of Commerce before implementing any new food safety or grading activity authorized under this section.

SEC. 11104. COUNTRY OF ORIGIN LABELING.

Subtitle D of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638 et seq.) is amended—

(1) in section 281(2)(A)—

(A) in clause (v) by striking “and”;

(B) in clause (vi), by striking “peanuts.” and inserting “peanuts; and”;
and

(C) by adding at the end the following new clause:

“(vii) meat produced from goats.”;

(2) in section 282—

(A) in subsection (a), by striking paragraphs (2) and (3) and inserting the following:

“(2) **DESIGNATION OF COUNTRY OF ORIGIN FOR BEEF, LAMB, PORK, AND GOAT.**—

“(A) **UNITED STATES COUNTRY OF ORIGIN.**—A retailer of a covered commodity that is beef, lamb, pork, or goat may designate the covered commodity as exclusively having a United States country of origin only if the covered commodity is derived from an animal that was—

“(i) exclusively born, raised, and slaughtered in the United States;

“(ii) born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the United States and slaughtered in the United States; or

“(iii) present in the United States on or before January 1, 2008.

“(B) **MULTIPLE COUNTRIES OF ORIGIN.**—A retailer of a covered

SEC. 10003. COUNTRY OF ORIGIN LABELING.

Subtitle D of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638 et seq.) is amended—

(1) in section 281(2)(A)—

(A) in clause (v), by striking “and”;

(B) in clause (vi), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(vii) meat produced from goats;

“(viii) chicken, in whole and in part; and

“(ix) macadamia nuts.”;

(2) in section 282—

(A) in subsection (a), by striking paragraphs (2) and (3) and inserting the following:

“(2) **DESIGNATION OF COUNTRY OF ORIGIN FOR BEEF, LAMB, PORK, CHICKEN, AND GOAT MEAT-**

“(A) **UNITED STATES COUNTRY OF ORIGIN-** A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat may designate the covered commodity as exclusively having a United States country of origin only if the covered commodity is derived from an animal that was—

“(i) exclusively born, raised, and slaughtered in the United States;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

commodity that is beef, lamb, pork, or goat that is derived from an animal that is—

“(i) not exclusively born, raised, and slaughtered in the United States,

“(ii) born, raised, or slaughtered in the United States, and

“(iii) not imported into the United States for immediate slaughter,

may designate the country of origin of such covered commodity as all of the countries in which the animal may have been born, raised, or slaughtered.

“(C) **IMPORTED FOR IMMEDIATE SLAUGHTER.**—A retailer of a covered commodity that is beef, lamb, pork, or goat that is derived from an animal that is imported into the United States for immediate slaughter must designate the origin of such covered commodity as—

“(i) the country from which the animal was imported; and

“(ii) the United States.

“(D) **FOREIGN COUNTRY OF ORIGIN.**—A retailer of a covered commodity that is beef, lamb, pork, or goat that is derived from an animal that is not born, raised, or slaughtered in the United States must designate a country other than the United States as the country of origin of such commodity.

“(E) **GROUND BEEF, PORK, AND LAMB.**—The notice of country of origin for ground beef, ground pork, or ground lamb shall include—

“(i) a list of all countries of origin of such ground beef, ground pork, or ground lamb; or

“(ii) a list of all reasonably possible countries of origin of such ground beef, ground pork, or ground lamb.

“(3) **DESIGNATION OF COUNTRY OF ORIGIN FOR FISH.**—

“(A) **IN GENERAL.**—A retailer of a covered commodity that is farm-raised fish or wild fish may designate the covered commodity as having a United States country of origin only if the covered commodity—

“(i) in the case of farm-raised fish, is hatched, raised, harvested,

“(ii) born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the United States and slaughtered in the United States; or

“(iii) present in the United States on or before January 1, 2008, and once present in the United States, remained continuously in the United States.

“(B) **MULTIPLE COUNTRIES OF ORIGIN-**

“(i) **IN GENERAL-** A retailer of a covered commodity that is beef, lamb, pork, chicken or goat meat that is derived from an animal that is--

“(I) not exclusively born, raised, and slaughtered in the United States,

“(II) born, raised, or slaughtered in the United States, and

“(III) not imported into the United States for immediate slaughter,

may designate the country of origin of such covered commodity as all of the countries in which the animal may have been born, raised, or slaughtered.

“(ii) **RELATION TO GENERAL REQUIREMENT-** Nothing in this subparagraph alters the mandatory requirement to inform consumers of the country of origin of covered commodities under paragraph (1).

“(C) **IMPORTED FOR IMMEDIATE SLAUGHTER-** A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat that is derived from an animal that is imported into the United States for immediate slaughter shall designate the origin of such covered commodity as--

“(i) the country from which the animal was imported; and

“(ii) the United States.

“(D) **FOREIGN COUNTRY OF ORIGIN-** A retailer of a covered commodity that is beef, lamb, pork, chicken or goat meat that is derived

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

and processed in the United States; and

“(ii) in the case of wild fish, is—

“(I) harvested in the United States, a territory of the United States, or a State, or by a vessel that is documented under chapter 121 of title 46, United States Code, or registered in the United States; and

“(II) processed in the United States, a territory of the United States, or a State, including the waters thereof.

“(B) **DESIGNATION OF WILD FISH AND FARM-RAISED FISH.**—The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish.

“(4) **DESIGNATION OF COUNTRY OF ORIGIN FOR PERISHABLE AGRICULTURAL COMMODITIES AND PEANUTS.**—

“(A) **IN GENERAL.**—A retailer of a covered commodity that is a perishable agricultural commodity or peanut may designate the covered commodity as having a United States country of origin only if the covered commodity is exclusively produced in the United States.

“(B) **STATE, REGION, LOCALITY OF THE UNITED STATES.**—With respect to a covered commodity that is a perishable agricultural commodity produced exclusively in the United States, designation by a retailer of the State, region, or locality of the United States where such commodity was produced shall be sufficient to identify the United States as the country of origin.”; and

(B) by striking subsection (d) and inserting the following:

“(d) **AUDIT VERIFICATION SYSTEM.**—

“(1) **IN GENERAL.**—The Secretary may conduct an audit of any person that prepares, stores, handles, or distributes a covered commodity for retail sale to verify compliance with this subtitle (including the regulations promulgated under section 284(b)).

“(2) **RECORD REQUIREMENTS.**—

“(A) **IN GENERAL.**—A person subject to an audit under paragraph (1) shall provide the Secretary with verification of the country of origin of

from an animal that is not born, raised, or slaughtered in the United States shall designate a country other than the United States as the country of origin of such commodity.

“(E) **GROUND BEEF, PORK, LAMB, CHICKEN AND GOAT-** The notice of country of origin for ground beef, ground pork, ground lamb, ground chicken, or ground goat shall include--

“(i) a list of all countries of origin of such ground beef, ground pork, ground lamb, ground chicken, or ground goat; or

“(ii) a list of all reasonably possible countries of origin of such ground beef, ground pork, ground lamb, ground chicken, or ground goat.

“(3) **DESIGNATION OF COUNTRY OF ORIGIN FOR FISH-**

“(A) **IN GENERAL-** A retailer of a covered commodity that is farm-raised fish or wild fish may designate the covered commodity as having a United States country of origin only if the covered commodity—

“(i) in the case of farm-raised fish, is hatched, raised, harvested, and processed in the United States; and

“(ii) in the case of wild fish, is—

“(I) harvested in the United States, a territory of the United States, or a State, or by a vessel that is documented under chapter 121 of title 46, United States Code, or registered in the United States; and

“(II) processed in the United States, a territory of the United States, or a State, including the waters thereof.

“(B) **DESIGNATION OF WILD FISH AND FARM-RAISED FISH-** The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish.

“(4) **DESIGNATION OF COUNTRY OF ORIGIN FOR PERISHABLE AGRICULTURAL COMMODITIES, PEANUTS, AND MACADAMIA NUTS-**

“(A) **IN GENERAL-** A retailer of a covered commodity that is a perishable

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

covered commodities. Records maintained in the course of the normal conduct of the business of such person, including animal health papers, import or customs documents, or producer affidavits, may serve as such verification.

“(B) **PROHIBITION ON REQUIREMENT OF ADDITIONAL RECORDS.**— The Secretary may not require a person that prepares, stores, handles, or distributes a covered commodity to maintain a record of the country of origin of a covered commodity other than those maintained in the course of the normal conduct of the business of such person.”;

(3) in section 283—

(A) by striking subsections (a) and (c);

(B) by redesignating subsection (b) subsection (a);

(C) in subsection (a) (as so redesignated), by striking “retailer” and inserting “retailer or person engaged in the business of supplying a covered commodity to a retailer”; and

(D) by adding at the end the following new subsection:

“(b) **FINES.**—If, on completion of the 30-day period described in subsection (a)(2), the Secretary determines that the retailer or person engaged in the business of supplying a covered commodity to a retailer has—

“(1) not made a good faith effort to comply with section 282, and

“(2) continues to willfully violate section 282 with respect to the violation about which the retailer or person received notification under subsection (a)(1),

after providing notice and an opportunity for a hearing before the Secretary with respect to the violation, the Secretary may fine the retailer or person in an amount of not more than \$1,000 for each violation.”.

agricultural commodity, peanut, or macadamia nut may designate the covered commodity as having a United States country of origin only if the covered commodity is exclusively produced in the United States.

“(B) **STATE, REGION, LOCALITY OF THE UNITED STATES-** With respect to a covered commodity that is a perishable agricultural commodity produced exclusively in the United States, designation by a retailer of the State, region, or locality of the United States where such commodity was produced shall be sufficient to identify the United States as the country of origin.’; and

(B) by striking subsection (d) and inserting the following:

“(d) **Audit Verification System-**

“(1) **IN GENERAL-** The Secretary may conduct an audit of any person that prepares, stores, handles, or distributes a covered commodity for retail sale to verify compliance with this subtitle (including the regulations promulgated under section 284(b)).

“(2) **RECORD REQUIREMENTS-**

“(A) **IN GENERAL-** A person subject to an audit under paragraph (1) shall provide the Secretary with verification of the country of origin of covered commodities. Records maintained in the course of the normal conduct of the business of such person, including animal health papers, import or customs documents, or producer affidavits, may serve as such verification.

“(B) **PROHIBITION ON REQUIREMENT OF ADDITIONAL RECORDS-** The Secretary may not require a person that prepares, stores, handles, or distributes a covered commodity to maintain a record of the country of origin of a covered commodity other than those maintained in the course of the normal conduct of the business of such person.’;

(3) in section 283—

(A) by striking subsections (a) and (c);

(B) by redesignating subsection (b) as subsection (a);

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(C) in subsection (a) (as so redesignated), by striking `retailer' and inserting `retailer or person engaged in the business of supplying a covered commodity to a retailer'; and

(D) by adding at the end the following new subsection:

`(b) Fines- If, on completion of the 30-day period described in subsection (a)(2), the Secretary determines that the retailer or person engaged in the business of supplying a covered commodity to a retailer has—

 `(1) not made a good faith effort to comply with section 282, and

 `(2) continues to willfully violate section 282 with respect to the violation about which the retailer or person received notification under subsection (a)(1), after providing notice and an opportunity for a hearing before the Secretary with respect to the violation, the Secretary may fine the retailer or person in an amount of not more than \$1,000 for each violation.'

SUBTITLE B—AGRICULTURAL FAIR PRACTICES

SEC. 10101. DEFINITIONS.

Section 3 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2302) is amended—

(1) by striking `When used in this Act--' and inserting `In this Act:';

(2) in subsection (a)—

 (A) by redesignating paragraphs (1) through (4) as clauses (i) through (iv), respectively; and

 (B) in clause (iv) (as so redesignated), by striking `clause (1), (2), or (3) of this paragraph' and inserting `clause (i), (ii), or (iii)';

(3) by striking subsection (d);

(4) by redesignating subsections (a), (b), (c), and (e) as paragraphs (3), (4), (2), (1), respectively, indenting appropriately, and moving those paragraphs so as to appear in numerical order;

No comparable provision.

(5) in each paragraph (as so redesignated) that does not have a heading, by inserting a heading, in the same style as the heading in the amendment made by paragraph (6), the text of which is comprised of the term defined in the paragraph;

(6) in paragraph (2) (as so redesignated)—

(A) by striking `The term `association of producers' means' and inserting the following:

`(2) ASSOCIATION OF PRODUCERS-

`(A) IN GENERAL- The term `association of producers' means'; and

(B) by adding at the end the following:

`(B) INCLUSION- The term `association of producers' includes an organization of agricultural producers dedicated to promoting the common interest and general welfare of producers of agricultural products.';

(7) in paragraph (3) (as so redesignated)—

(A) by striking `The term' and inserting the following:

`(3) HANDLER-

`(A) IN GENERAL- The term'; and

(B) by inserting after clause (iv) of subparagraph (A) (as redesignated by subparagraph (A) and paragraph (2)) the following:

`(B) EXCLUSION- The term `handler' does not include—

`(i) a producer; or

`(ii) a person, other than a packer (as defined in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191)), that provides custom feeding services for a producer.'; and

(8) by adding at the end the following:

`(5) SECRETARY- The term `Secretary' means the Secretary of Agriculture.'

No comparable provision.

SEC. 10102. PROHIBITED PRACTICES.

Section 4 of the Agricultural Fair Practices of 1967 (7 U.S.C. 2303) is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as paragraphs (1), (2), (3), (4), (5), and (7), respectively, and indenting appropriately;

(2) in paragraph (1) (as so redesignated)—

(A) by striking `join and belong' each place it appears and inserting `form, join, and belong'; and

(B) by striking `joining or belonging' and inserting `forming, joining, or belonging'; and

(3) by inserting after paragraph (5) (as so redesignated) the following:

`(6) To fail to bargain in good faith with an association of producers; or'

No comparable provision.

SEC. 10103. ENFORCEMENT.

The Agricultural Fair Practices Act of 1967 is amended—

(1) by striking sections 5 and 6 (7 U.S.C. 2304, 2305); and

(2) by inserting after section 4 the following:

`SEC. 5. ENFORCEMENT.

`(a) Civil Actions by the Secretary Against Handlers- In any case in which the Secretary has reasonable cause to believe that a handler or group of handlers has engaged in any act or practice that violates this Act, the Secretary may bring a civil action in United States district court by filing a complaint requesting preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order, against the handler.

“(b) Civil Actions Against Handlers-

“(1) PREVENTIVE RELIEF-

“(A) IN GENERAL- In any case in which any handler has engaged, or there are reasonable grounds to believe that any handler is about to engage, in any act or practice prohibited by this Act, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order, may be instituted by the person aggrieved in United States district court.

“(B) SECURITY- The court may provide that no restraining order or preliminary injunction shall issue unless security is provided by the applicant, in such sum as the court determines to be appropriate, for the payment of such costs and damages as may be incurred or suffered by any party that is found to have been wrongfully enjoined or restrained.

“(2) DAMAGES-

“(A) IN GENERAL- Any person injured in the business or property of the person by reason of any violation of, or combination or conspiracy to violate, this Act may bring a civil action in United States district court to recover—

- “(i) damages sustained by the person as a result of the violation; and
- “(ii) any additional penalty that the court may allow, but not more than \$1,000 per violation.

“(B) LIMITATION ON ACTIONS- A civil action under subparagraph (A) shall be barred unless commenced within 4 years after the cause of action accrues.

“(3) ATTORNEYS' FEES- In any action commenced under paragraph (1) or (2), any person that has violated this Act shall be liable to any person injured as a result of the violation for the full amount of the damages sustained as a result of the violation, including costs of the litigation and reasonable attorneys' fees.

“(c) Jurisdiction of District Courts- The district courts of the United States shall--

- “(1) have jurisdiction of proceedings instituted pursuant to this section; and
- “(2) exercise that jurisdiction without regard to whether the aggrieved party shall have exhausted any administrative or other remedies that may be provided by law.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p> `(d) Liability for Acts of Agents- In the construction and enforcement of this Act, the act, omission, or failure of any officer, agent, or person acting for or employed by any other person within the scope of the employment or office of the officer, agent, or person, shall be considered to be the act, omission, or failure of the other person. </p> <p> `(e) Relationship to State Law- Nothing in this Act— </p> <p style="padding-left: 40px;"> `(1) changes or modifies State law in effect on the date of enactment of this subsection; or </p> <p> `(2) deprives a State court of jurisdiction.' </p>
<p>No comparable provision.</p>	<p>SEC. 10104. RULES AND REGULATIONS.</p> <p>The Agricultural Fair Practices Act of 1967 is amended by inserting after section 5 (as added by section 10103) the following:</p> <p>SEC. 6. RULES AND REGULATIONS.</p> <p> `The Secretary may promulgate such rules and regulations as are necessary to carry out this Act, including rules or regulations necessary to clarify what constitutes fair and normal dealing for purposes of the selection of customers by handlers.' </p>
<p>No provision</p>	<p>SUBTITLE C—PACKERS AND STOCKYARDS</p> <p>SEC. 10201. SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.</p> <p>(a) In General- The Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) is amended--</p> <p style="padding-left: 40px;"> (1) by striking the title I heading and all that follows through `This Act' and inserting the following: </p> <p style="text-align: center;"> TITLE I--GENERAL PROVISIONS </p> <p style="text-align: center;"> Subtitle A--Definitions </p> <p>SEC. 1. SHORT TITLE.</p>

`This Act'; and

(2) by inserting after section 2 (7 U.S.C. 183) the following:

`Subtitle B--Special Counsel for Agricultural Competition

`SEC. 11. SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.

`(a) Establishment-

`(1) IN GENERAL- There is established within the Department of Agriculture an office to be known as the `Office of Special Counsel for Agricultural Competition' (referred to in this section as the `Office').

`(2) DUTIES- The Office shall—

`(A) have responsibility for all duties and functions of the Packers and Stockyards programs of the Department of Agriculture;

`(B) investigate and prosecute violations of this Act and the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.);

`(C) serve as a liaison between, and act in consultation with, the Department of Agriculture, the Department of Justice, and the Federal Trade Commission with respect to competition and trade practices in the food and agricultural sector; and

`(D) maintain a staff of attorneys and other professionals with the appropriate expertise.

`(b) Special Counsel for Agricultural Competition-

`(1) IN GENERAL- The Office shall be headed by the Special Counsel for Agricultural Competition (referred to in this section as the `Special Counsel'), who shall be appointed by the President, by and with the advice and consent of the Senate.

`(2) INDEPENDENCE OF SPECIAL AUTHORITY-

`(A) IN GENERAL- The Special Counsel shall report to and be under the

general supervision of the Secretary.

`(B) DIRECTION, CONTROL, AND SUPPORT- The Special Counsel shall be free from the direction and control of any person in the Department of Agriculture other than the Secretary.

`(C) PROHIBITION ON DELEGATION- The Secretary may not delegate any duty described in subsection (a)(2) to any other officer or employee of the Department other than the Special Counsel.

`(D) REPORTING REQUIREMENT-

`(i) IN GENERAL- Twice each year, the Special Counsel shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that shall include, for the relevant reporting period, a description of—

`(I) the number of complaints that the Special Counsel has received and closed;

`(II)(aa) the number of investigations and civil and administrative actions that the Special Counsel has initiated, carried out, and completed, including the number of notices given to regulated entities for violations of this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.);

`(bb) the number and types of decisions agreed to; and

`(cc) the number of stipulation agreements; and

`(III) the number of investigations and civil and administrative actions that the Secretary objected to or prohibited from being carried out, and the stated purpose of the Secretary for each objection or prohibition.

`(ii) REQUIREMENT- The basis for each complaint, investigation, or civil or administrative action described in a report under clause (i) shall—

`(I) be organized by species; and

`(II) indicate if the complaint, investigation, or civil or administration action was for anti-competitive, unfair, or deceptive practices under this Act or was a violation of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.).

`(E) REMOVAL-

`(i) IN GENERAL- The Special Counsel may be removed from office by the President.

`(ii) COMMUNICATION- The President shall communicate the reasons for any such removal to both Houses of Congress.

`(3) PROSECUTORIAL AUTHORITY- Subject to paragraph (4), the Special Counsel may commence, defend, or intervene in, and supervise the litigation of, any civil or administrative action authorized under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.).

`(4) PROCEDURE FOR EXERCISE OF AUTHORITY TO LITIGATE OR APPEAL-

`(A) IN GENERAL- Prior to commencing, defending, or intervening in any civil action under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.), the Special Counsel shall give written notification to, and attempt to consult with, the Attorney General with respect to the proposed action.

`(B) FAILURE TO RESPOND- If, not later than 45 days after the date of provision of notification under subparagraph (A), the Attorney General has failed to commence, defend, or intervene in the proposed action, the Special Counsel may commence, defend, or intervene in, and supervise the litigation of, the action and any appeal of the action in the name of the Special Counsel.

`(C) AUTHORITY OF ATTORNEY GENERAL TO INTERVENE- Nothing in this paragraph precludes the Attorney General from intervening on behalf of the United States in any civil action under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.), or in any

	<p>appeal of such action, as may be otherwise provided by law.</p> <p>`(c) Relationship to Other Provisions- Nothing in this section modifies or otherwise effects subsections (a) and (b) of section 406.'</p> <p>(b) Conforming Amendment- Section 5315 of title 5, United States Code, is amended by adding at the end the following:</p> <p style="padding-left: 40px;">`Special Counsel for Agricultural Competition.'</p>
<p>No provision.</p>	<p>SEC. 10202. INVESTIGATION OF LIVE POULTRY DEALERS.</p> <p>(a) Removal of Poultry Slaughter Requirement From Definitions- Section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(a)), is amended—</p> <p style="padding-left: 40px;">(1) by striking paragraph (8) and inserting the following:</p> <p style="padding-left: 40px;">`(8) POULTRY GROWER-</p> <p style="padding-left: 80px;">`(A) IN GENERAL- The term `poultry grower' means any person engaged in the business of raising or caring for live poultry under a poultry growing arrangement, regardless of whether the poultry is owned by the person or by another person.</p> <p style="padding-left: 80px;">`(B) EXCLUSION- The term `poultry grower' does not include an employee of the owner of live poultry described in subparagraph (A).';</p> <p style="padding-left: 40px;">(2) in paragraph (9), by striking `and cares for live poultry for delivery, in accord with another's instructions, for slaughter' and inserting `or cares for live poultry in accordance with the instructions of another person'; and</p> <p style="padding-left: 40px;">(3) in paragraph (10), by striking `for the purpose of either slaughtering it or selling it for slaughter by another'.</p> <p>(b) Administrative Enforcement Authority Over Live Poultry Dealers- Sections 203, 204, and 205 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193, 194, 195), are amended by inserting `or live poultry dealer' after `packer' each place it appears.</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(c) Authority To Request Temporary Injunction or Restraining Order- Section 408 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228a), is amended in the first sentence by striking `on account of poultry' and inserting `on account of poultry or poultry care'.

(d) Violations by Live Poultry Dealers-

(1) PENALTY- Section 203(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 193(b)) is amended in the third sentence by striking `\$10,000' and inserting `\$22,000'.

(2) REPEALS- Sections 411, 412, and 413 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228b-2, 228b-3, 228b-4)), are repealed.

No provision.

SEC. 10203. PRODUCTION CONTRACTS.

(a) Definitions- Section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(a)) is amended--

(1) by striking `When used in this Act--' and inserting `In this Act:';

(2) by striking paragraph (1);

(3) by redesignating paragraphs (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), and (14) as paragraphs (15), (6), (8), (9), (10), (13), (11), (12), (7), (2), (16), (17), and (18), respectively, indenting appropriately, and moving those paragraphs so as to appear in numerical order;

(4) in each paragraph (as so redesignated) that does not have a heading, by inserting a heading, in the same style as the heading in the amendment made by paragraph (5), the text of which is comprised of the term defined in the paragraph;

(5) by inserting before paragraph (2) (as so designated) the following:

`(1) CAPITAL INVESTMENT- The term `capital investment' means an investment in—

`(A) a structure, such as a building or manure storage structure; or

`(B) machinery or equipment associated with producing livestock or poultry that has a useful life of more than 1 year.';

(6) by inserting after paragraph (2) (as so redesignated) the following:

`(3) CONTRACTOR-

`(A) IN GENERAL- The term `contractor' means a person that, in accordance with a production contract, obtains livestock or poultry that is produced by a contract producer.

`(B) INCLUSIONS- The term `contractor' includes—

`(i) a live poultry dealer; and

`(ii) a swine contractor.

`(4) CONTRACT PRODUCER-

`(A) IN GENERAL- The term `contract producer' means a producer that produces livestock or poultry under a production contract.

`(B) INCLUSIONS- The term `contract producer' includes—

`(i) a poultry grower; and

`(ii) a swine production contract grower.

`(5) INVESTMENT REQUIREMENT- The term `investment requirement' means—

`(A) a provision in a production contract that requires a contract producer to make a capital investment associated with producing livestock or poultry that, but for the production contract, the contract producer would not have made; or

`(B) a representation by a contractor that results in a contract producer making a capital investment.'; and

(7) by inserting after paragraph (13) (as so redesignated) the following:

`(14) PRODUCTION CONTRACT-

`(A) IN GENERAL- The term `production contract' means a written agreement that provides for—

- `(i) the production of livestock or poultry by a contract producer; or
- `(ii) the provision of a management service relating to the production of livestock or poultry by a contract producer.

`(B) INCLUSIONS- The term `production contract' includes—

- `(i) a poultry growing arrangement;
- `(ii) a swine production contract;
- `(iii) any other contract between a contractor and a contract producer for the production of livestock or poultry; and
- `(iv) a contract between a live poultry dealer and poultry grower, swine contractor and swine production contract grower, or contractor and contract producer for the provision of a management service in the production of livestock or poultry.'

(b) Prohibitions Involving Production Contracts- Title II of the Packers and Stockyards Act, 1921 (7 U.S.C. 198 et seq.), is amended by adding at the end the following:

`SEC. 208. PRODUCTION CONTRACTS.

`(a) Right of Contract Producers To Cancel Production Contracts-

`(1) IN GENERAL- A contract producer may cancel a production contract by mailing a cancellation notice to the contractor not later than the later of—

- `(A) the date that is 3 business days after the date on which the production contract is executed; or
- `(B) any cancellation date specified in the production contract.

`(2) DISCLOSURE- A production contract shall clearly disclose--

- `(A) the right of the contract producer to cancel the production contract;

No provision.

`(B) the method by which the contract producer may cancel the production contract; and

`(C) the deadline for canceling the production contract.

`(b) Production Contracts Involving Investment Requirements-

`(1) APPLICABILITY- This subsection applies only to a production contract between a contract producer and a contractor if the contract producer detrimentally relied on a representation by the contractor or a provision in the production contract that resulted in the contract producer making a capital investment of \$100,000 or more.

`(2) RESTRICTIONS ON CONTRACT TERMINATION-

`(A) NOTICE OF TERMINATION- Except as provided in subparagraph (C), a contractor shall not terminate or cancel a production contract unless the contractor provides the contract producer with written notice of the intention of the contractor to terminate or cancel the production contract at least 90 days before the effective date of the termination or cancellation.

`(B) REQUIREMENTS- The written notice required under subparagraph (A) shall include alleged causes of the termination.

`(C) EXCEPTIONS- A contractor may terminate or cancel a production contract at any time without notice as required under subparagraph (A) if the basis for the termination or cancellation is—

`(i) a voluntary abandonment of the contractual relationship by the contract producer, such as a failure of the contract producer to substantially perform under the production contract;

`(ii) the conviction of the contract producer of an offense of fraud or theft committed against the contractor;

`(iii) the natural end of the production contract in accordance with the terms of the production contract; or

`(iv) because the well-being of the livestock or poultry subject to the contract is in jeopardy once under the care of the contract producer.

`(D) RIGHT TO CURE-

`(i) IN GENERAL- If, not later than 90 days after the date on which the contract producer receives written notice under subparagraph (A), the contract producer remedies each cause of the breach of contract alleged in the written notice, the contractor may not terminate or cancel a production contract under this paragraph.

`(ii) NO ADMISSION OF BREACH- The remedy or attempt to remedy the causes for the breach of contract by the contract producer under clause (i) does not constitute an admission of breach of contract.

`(c) Additional Capital Investments in Production Contracts-

`(1) IN GENERAL- A contractor shall not require a contract producer to make additional capital investments in connection with a production contract that exceed the initial investment requirements of the production contract.

`(2) EXCEPTIONS- Notwithstanding paragraph (1), a contractor may require additional capital investments if—

`(A)(i) the additional capital investments are offset by reasonable additional consideration, including compensation or a modification to the terms of the production contract; and

`(ii) the contract producer agrees in writing that there is acceptable and satisfactory consideration for the additional capital investment; or

`(B) without the additional capital investments the well-being of the livestock or poultry subject to the contract would be in jeopardy.

`(d) No Effect on State Law- Nothing in this section preempts or otherwise affects any State law relating to production contracts that establishes a requirement or standard that is more stringent than a requirement or standard under this section.

`SEC. 209. CHOICE OF LAW, JURISDICTION, AND VENUE.

`(a) Choice of Law- Any provision in a livestock or poultry production or marketing contract requiring the application of the law of a State other than the State in which the

No provision.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

production occurs is void and unenforceable.

`(b) Jurisdiction- A packer, live poultry dealer, or swine contractor that enters into a production or marketing contract with a producer shall be subject to personal jurisdiction in the State in which the production occurs.

`(c) Venue- Venue shall be determined on the basis of the location of the production, unless the producer selects a venue that is otherwise permitted by law.

`(d) Application- This section shall apply to any production or marketing contract entered into, amended, altered, modified, renewed, or extended after the date of enactment of this section.

SEC. 210. ARBITRATION.

`(a) In General- If a livestock or poultry contract provides for the use of arbitration to resolve a controversy under the livestock or poultry contract, arbitration may be used to settle the controversy only if, after the controversy arises, both parties consent in writing to use arbitration to settle the controversy.

`(b) Application- Subsection (a) shall apply to any contract entered into, amended, altered, modified, renewed, or extended after the date of enactment of this section.'.

SEC. 11102. ARBITRATION OF LIVESTOCK AND POULTRY CONTRACTS.

The Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) is amended—

(1) by redesignating section 416 as section 417; and

(2) by inserting after section 415 the following new section:

“SEC. 416. ARBITRATION OF LIVESTOCK AND POULTRY CONTRACTS.

“(a) **ISSUANCE OF REGULATIONS.**—The Secretary of Agriculture shall promulgate regulations to establish standards related to the inclusion of arbitration provisions in livestock and poultry production contracts.

“(b) **CONTENT.**—Such regulations shall—

“(1) establish permissible agreements with respect to venue of arbitration, allocation of arbitration costs, number and appointment of arbitrators, and any other element of an arbitration agreement that the Secretary determines to be necessary;

“(2) permit a producer to seek relief in a small claims court in lieu of arbitration for disputes or claims within the jurisdiction of a small claims court, despite the existence of an arbitration agreement; and

“(3) require any person appointed or to be appointed as an arbitrator to disclose any circumstance likely to raise doubt as to the arbitrator’s impartiality.”.

<p>No provision</p>	<p>SEC. 10204. RIGHT TO DISCUSS TERMS OF CONTRACT.</p> <p>Section 10503(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 229b(b)) is amended—</p> <ul style="list-style-type: none"> (1) in paragraph (6), by striking `or' at the end; (2) in paragraph (7), by striking the period at the end and inserting a semicolon; and (3) by adding at the end the following: <ul style="list-style-type: none"> `(8) a business associate of the party; or `(9) a neighbor of the party or other producer.'
<p>No provision.</p>	<p>SEC. 10205. ATTORNEYS' FEES.</p> <p>Section 308(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 209(a)) is amended by inserting before the period at the end the following: `and for the costs of the litigation, including reasonable attorneys' fees'.</p>
<p>No provision.</p>	<p>SEC. 10206. APPOINTMENT OF OUTSIDE COUNSEL.</p> <p>Section 407 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228), is amended—</p> <ul style="list-style-type: none"> (1) in subsection (a), by inserting `obtain the services of attorneys who are not employees of the Federal Government,' before `and make such expenditures'; and

(2) in subsection (c), by striking `Senate Committee on Agriculture and Forestry' and inserting `the Committee on Agriculture, Nutrition, and Forestry of the Senate'.

No provision.

SEC. 10207. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) In General- Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following:

`(f) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to—

`(1) an arrangement entered into within 14 days (excluding any Saturday or Sunday) before slaughter of the livestock by a packer, a person acting through the packer, or a person that directly or indirectly controls, or is controlled by or under common control with, the packer;

`(2) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

 `(A) own, feed, or control livestock; and

 `(B) provide the livestock to the cooperative for slaughter;

`(3) a packer that is not required to report to the Secretary on each reporting day (as defined in section 212 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1635a)) information on the price and quantity of livestock purchased by the packer; or

`(4) a packer that owns 1 livestock processing plant; or'.

(b) Effective Date-

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(1) IN GENERAL- Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.</p> <p>(2) TRANSITION RULES- In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—</p> <p style="padding-left: 40px;">(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and</p> <p style="padding-left: 40px;">(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary.</p>
<p>No provision.</p>	<p>SEC. 10208. REGULATIONS.</p> <p>(a) In General- Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate regulations to implement the amendments made by this title, including—</p> <p style="padding-left: 40px;">(1) regulations providing a definition of the term 'unreasonable preference or advantage' for purposes of section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)); and</p> <p style="padding-left: 40px;">(2) regulations requiring live poultry dealers to provide written notice to poultry growers if the live poultry dealer imposes an extended layout period in excess of 30 days, prior to removal of the previous flock.</p> <p>(b) Requirements- The Secretary shall ensure that regulations promulgated pursuant to subsection (a)(1) prevent discrimination against producers with smaller volume of business. Nothing in this subsection shall be construed to require any person to enter into a business transaction with a producer due solely to that producer's volume of business.</p>
	<p>SUBTITLE D---RELATED PROGRAMS</p>
<p>SEC. 11101. SENSE OF CONGRESS REGARDING PSEUDORABIES</p>	<p>SEC. 10301. SENSE OF CONGRESS REGARDING PSEUDORABIES ERADICATION</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

ERADICATION PROGRAM.

It is the sense of Congress that—

- (1) the Secretary should recognize the threat feral swine pose to the domestic swine population;
- (2) keeping the United States commercial swine herd free of pseudorabies is essential to maintaining and growing pork export markets;
- (3) the establishment of a swine surveillance system will assist the swine industry in the monitoring, surveillance, and eradication of pseudorabies; and
- (4) pseudorabies eradication is a high priority that the Secretary should carry out under the authorities of the Animal Health Protection Act.

PROGRAM.

It is the sense of Congress that—

- (1) the Secretary should recognize the threat that feral swine pose to the domestic swine population and the entire livestock industry;
- (2) keeping the United States commercial swine herd free of pseudorabies is essential to maintaining and growing pork export markets;
- (3) pseudorabies surveillance funding is necessary to assist the swine industry in the monitoring, surveillance, and eradication of pseudorabies, including the monitoring and surveillance of other diseases effecting swine production and trade; and
- (4) pseudorabies eradication is a high priority that the Secretary should carry out under the Animal Health Protection Act (7 U.S.C. 8301 et seq.).

SEC. 11106. SENSE OF CONGRESS REGARDING THE CATTLE FEVER TICK ERADICATION PROGRAM.

It is the sense of Congress that—

- (1) the cattle fever tick and the southern cattle tick are vectors of the causal agent of babesiosis, a severe and often fatal disease of cattle; and
- (2) implementing a national strategic plan for the cattle fever tick eradication program is a high priority that the secretary should carry out in order to—
 - (A) prevent the entry of cattle fever ticks into the United States;
 - (B) enhance and maintain an effective surveillance program to rapidly detect any cattle fever tick incursions; and
 - (C) research, identify, and procure the tools and knowledge necessary to prevent and eradicate cattle fever ticks in the United States.

SEC. 10302. SENSE OF CONGRESS REGARDING CATTLE FEVER TICK ERADICATION PROGRAM.

It is the sense of Congress that—

- (1) the cattle fever tick and the southern cattle tick are vectors of the causal agent of babesiosis, a severe and often fatal disease of cattle; and
- (2) implementing a national strategic plan for the cattle fever tick eradication program is a high priority that the Secretary should carry out—
 - (A) to prevent the entry of cattle fever ticks into the United States;
 - (B) to enhance and maintain an effective surveillance program to rapidly detect any fever tick incursions; and
 - (C) to research, identify, and procure the tools and knowledge necessary to prevent and eradicate cattle ticks in the United States.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>(In Rural Development Title)</p> <p>SEC. 6015. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.</p> <p>(a) FUNDING.—Section 375(e)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)) is amended by striking paragraphs (B) and (C) and inserting the following:</p> <p style="padding-left: 40px;">“(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of the fiscal years 2008 through 2012. ”.</p> <p>(b) ELIMINATION OF REQUIREMENT TO PRIVATIZE REVOLVING FUND.— Section 375 of such Act (7 U.S.C. 2008j) is amended by striking subsection (j).</p>	<p>SEC. 10303. NATIONAL SHEEP AND GOAT INDUSTRY IMPROVEMENT CENTER.</p> <p>(a) Name Change- Section 375 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j) is amended—</p> <p style="padding-left: 40px;">(1) in the section heading, by inserting `and goat' after `national sheep'; and</p> <p style="padding-left: 40px;">(2) by inserting `and Goat' after `National Sheep' each place it appears.</p> <p>(b) Funding- Section 375(e)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)) is amended by striking subparagraphs (B) and (C) and inserting the following:</p> <p style="padding-left: 40px;">`(B) MANDATORY FUNDING- Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$1,000,000 for fiscal year 2008, to remain available until expended.</p> <p style="padding-left: 40px;">`(C) AUTHORIZATION OF APPROPRIATIONS- There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of fiscal years 2008 through 2012.'.</p> <p>(c) Repeal of Requirement to Privatize Revolving Fund-</p> <p style="padding-left: 40px;">(1) IN GENERAL- Section 375 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j) is amended by striking subsection (j).</p> <p style="padding-left: 40px;">(2) EFFECTIVE DATE- The amendment made by paragraph (1) takes effect on May 1, 2007.</p>
<p>No provision.</p>	<p>SEC. 10304. TRICHINAE CERTIFICATION PROGRAM.</p> <p>Section 10409 of the Animal Health Protection Act (7 U.S.C. 8308) is amended by adding at the end the following:</p> <p style="padding-left: 40px;">`(c) Trichinae Certification Program-</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>“(1) ESTABLISHMENT- Not later than 60 days after the date of enactment of this subsection, the Secretary shall issue final regulations to implement a trichinae certification program.</p> <p>“(2) AUTHORIZATION OF APPROPRIATIONS- There is authorized to be appropriated to the Secretary to carry out the program \$1,250,000 for each of fiscal years 2008 through 2012.’.</p>
<p>No provision.</p>	<p>SEC. 10305. PROTECTION OF INFORMATION IN THE ANIMAL IDENTIFICATION SYSTEM.</p> <p>“Not later than 180 days after the date of enactment of this Act, the Secretary shall promulgate regulations consistent with the Freedom of Information Act, 5 U.S.C. 552, et. Seq., regarding the disclosure of information submitted by farmers and ranchers who participate in the National Animal Identification System. The regulations promulgated, which shall be subject to public comment period before finalizing, should address the protection of trade secrets and other proprietary and/or confidential business information the farmers and ranchers disclose in the course of participation in the National Animal Identification System.</p>
<p>SEC. 11105. SENSE OF CONGRESS REGARDING THE VOLUNTARY CONTROL PROGRAM FOR LOW PATHOGENIC AVIAN INFLUENZA.</p> <p>It is the sense of Congress that—</p> <p>(1) the voluntary control program for low pathogenic avian influenza is a critical component of the animal health protection system of the United States, as well as a safeguard against highly pathogenic avian influenza; and</p> <p>(2) the Secretary of Agriculture has appropriately provided for the payment of compensation to owners of poultry and cooperating State agencies of 100 percent of eligible costs, and the Secretary should continue to provide such payments at 100 percent of such costs.</p>	<p>SEC. 10306. LOW PATHOGENIC AVIAN INFLUENZA.</p> <p>Sec. 10407(d)(2) of the Animal Health Protection Act (7 U.S.C. 8306(d)(2)) is amended—</p> <p>(1) in subparagraph (A), by striking ‘subparagraphs (B) and (C),’ and inserting ‘subparagraphs (B), (C), and (D),’;</p> <p>(2) by redesignating subparagraph (C) as subparagraph (D); and</p> <p>(2) by inserting after subparagraph (B) the following:</p> <p>(3) ‘(C) LOW PATHOGENIC AVIAN INFLUENZA-</p> <p>‘(i) DEFINITION OF ELIGIBLE COSTS- In this subparagraph, the term ‘eligible costs’ means costs determined eligible for indemnity under part 56 of title 9, Code of Federal Regulations, as in effect on</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>the date of enactment of this clause.</p> <p>`(ii) INDEMNITIES- Subject to subparagraphs (B) and (D), compensation to any owner or contract grower of poultry participating in the voluntary control program for low pathogenic avian influenza under the National Poultry Improvement Plan, and payments to cooperating State agencies, shall be made in an amount equal to 100 percent of the eligible costs.'</p>
<p>No provision.</p>	<p>SEC. 10307. STUDY ON BIOENERGY OPERATIONS.</p> <p>Not later than 180 days after the date of enactment of this Act, the Secretary, acting through the Office of the Chief Economist, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the potential economic issues (including potential costs) associated with animal manure used in normal agricultural operations and as a feedstock in bioenergy production.</p>
<p>No provision.</p>	<p>SEC. 10308. SENSE OF THE SENATE ON INDEMNIFICATION OF LIVESTOCK PRODUCERS.</p> <p>It is the sense of the Senate that the Secretary should partner with the private insurance industry to implement an approach for expediting the indemnification of livestock producers in the case of catastrophic disease outbreaks.</p>
<p>No provision.</p>	<p>SEC. 10309. COORDINATION OF DAIRY OVERSIGHT.</p> <p>(a) In General- The Secretary shall select an official within the Department of Agriculture to coordinate the sharing of information on oversight of the dairy industry to ensure fair competition.</p> <p>(b) Duties- The official selected under subsection (a) shall—</p> <ul style="list-style-type: none"> (1) serve as a liaison among the Agricultural Marketing Service, Farm Service Agency, and National Agricultural Statistics Service; (2) coordinate and maintain informal communications as appropriate with other Federal agencies with an involvement or interest in the dairy industry or fair

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

competition;

(3) hold at least 1 formal annual meeting during each calendar year; and

(4) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and make available to the public, an annual report that describes issues of concern in the dairy industry that threaten fair competition, including an evaluation of dairy markets with respect to the impact of those markets on—

(A) reported dairy prices;

(B) Federal milk marketing order prices; and

(C) other Federal dairy programs.

SEC. 11103. STATE-INSPECTED MEAT AND POULTRY.

(a) REVIEW OF STATE MEAT AND POULTRY INSPECTION PROGRAMS.—

(1) **REPORT.**—Not later than 30 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to Congress a report containing the results of a review by the Secretary of each State meat and poultry inspection program. Such report shall include—

(A) a determination of the effectiveness of each State meat and poultry inspection program; and

(B) an identification of changes that are necessary to enable future transition to a State program of enforcing Federal inspection requirements as described in the amendments made by subsections (b) and (c).

(2) AUTHORIZATION OF APPROPRIATIONS.—

(A) **IN GENERAL.**—There are authorized to be appropriated such sums as are necessary to carry out this section.

(B) **AVAILABLE FUNDS.**—Notwithstanding any other provision of law, only funds specifically appropriated under subparagraph (A) may be used to carry out this subsection.

SEC. 11067. INTERSTATE SHIPMENT OF MEAT AND POULTRY INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.

(a) Meat and Meat Products- The Federal Meat Inspection Act (21 U.S.C. 601 et seq.) is amended by adding at the end the following:

“TITLE V--INSPECTIONS BY FEDERAL AND STATE AGENCIES

“SEC. 501. INTERSTATE SHIPMENT OF MEAT INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.

“(a) Definitions-

“(1) **APPROPRIATE STATE AGENCY-** The term ‘appropriate State agency’ means a State agency described in section 301(b).

“(2) **DESIGNATED PERSONNEL-** The term ‘designated personnel’ means inspection personnel of a State agency that have undergone all necessary inspection training and certification to assist the Secretary in the administration and enforcement of this Act, including regulations.

“(3) **ELIGIBLE ESTABLISHMENT-** The term ‘eligible establishment’ means an establishment that is in compliance with--

“(A) the State inspection program of the State in which the establishment is located;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(b) STATE MEAT INSPECTION PROGRAMS.—

(1) **IN GENERAL.**—Title III of the Federal Meat Inspection Act (21 U.S.C. 661 et seq.) is amended to read as follows:

“TITLE III—STATE MEAT INSPECTION PROGRAMS

“SEC. 301. POLICY AND FINDINGS.

“(a) **POLICY.**—It is the policy of Congress to protect the public from meat and meat food products that are adulterated or misbranded and to assist in efforts by State and other government agencies to accomplish that policy.

“(b) **FINDINGS.**—Congress finds that—

“(1) the goal of a safe and wholesome supply of meat and meat food products throughout the United States would be better served if a consistent set of requirements, established by the Federal Government, were applied to all meat and meat food products, whether produced under State inspection or Federal inspection;

“(2) under such a system, State and Federal meat inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer confidence in the food supply in interstate commerce; and

“(3) such a system would ensure the viability of State meat inspection programs, which should help to foster the viability of small establishments.

“SEC. 302. APPROVAL OF STATE MEAT INSPECTION PROGRAMS.

“(a) **IN GENERAL.**—Notwithstanding any other provision of this Act, the Secretary may approve a State meat inspection program and allow the shipment in commerce of carcasses, parts of carcasses, meat, and meat food products inspected under the State meat inspection program in accordance with this title.

“(b) **ELIGIBILITY.**—

“(1) **IN GENERAL.**—To receive or maintain approval from the Secretary for a State meat inspection program in accordance with subsection (a), a State shall—

“(A) implement a State meat inspection program that enforces the mandatory antemortem and postmortem inspection, reinspection, sanitation, and related Federal requirements of titles I, II, and IV (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under those titles); and

“(B) enter into a cooperative agreement with the Secretary in accordance with

and

“(B) this Act.

“(4) **MEAT ITEM-** The term ‘meat item’ means--

“(A) a portion of meat; and

“(B) a meat food product.

“(5) **SELECTED ESTABLISHMENT-** The term ‘selected establishment’ means an eligible establishment that is selected by the Secretary, in coordination with the appropriate State agency of the State in which the eligible establishment is located, under subsection (b) to ship carcasses, portions of carcasses, and meat items in interstate commerce.

“(b) **Authority of Secretary To Allow Shipments-**

“(1) **IN GENERAL-** Subject to paragraph (2), the Secretary, in coordination with the appropriate State agency of the State in which an establishment is located, may select the establishment to ship carcasses, portions of carcasses, and meat items in interstate commerce, and place on each carcass, portion of a carcass, and meat item shipped in interstate commerce a Federal mark, stamp, tag, or label of inspection, if the establishment--

“(A) is an eligible establishment; and

“(B) is located in a State that has designated personnel to inspect the eligible establishment.

“(2) **PROHIBITED ESTABLISHMENTS-** In carrying out paragraph (1), the Secretary, in coordination with an appropriate State agency, shall not select an establishment that--

“(A) on average, employs more than 25 employees (including supervisory and nonsupervisory employees), as defined by the Secretary;

“(B) as of the date of enactment of this section, ships in interstate commerce carcasses, portions of carcasses, or meat items that are inspected by the Secretary in accordance with this Act;

“(C)(i) is a Federal establishment;

“(ii) was a Federal establishment that was reorganized on a later date under the same name or a different name or person by the person, firm, or corporation that controlled

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

subsection (c).

“(2) ADDITIONAL REQUIREMENTS.—

“(A) IN GENERAL.—In addition to the requirements described in paragraph (1), a State meat inspection program reviewed in accordance with section 11103(a) of the Farm, Nutrition, and Bioenergy Act of 2007 shall implement, not later than 180 days after the date on which the report is submitted under subsection (b) of such section, all recommendations from the review, in a manner approved by the Secretary.

“(B) REVIEW OF NEW STATE MEAT INSPECTION PROGRAMS.—

“(i) REVIEW REQUIREMENT.—Not later than one year after the date on which the Secretary approves a new State meat inspection program, the Secretary shall conduct a review of the new State meat inspection program, which shall include—

“(I) a determination of the effectiveness of the new State meat inspection program; and

“(II) identification of changes necessary to ensure enforcement of Federal inspection requirements.

“(ii) IMPLEMENTATION REQUIREMENTS.—In addition to the requirements described in paragraph (1), to continue to be an approved State meat inspection program, a new State meat inspection program shall implement all recommendations from the review conducted in accordance with this subparagraph, in a manner approved by the Secretary.

“(iii) DEFINITION OF NEW STATE MEAT INSPECTION PROGRAM.—In this subparagraph, the term ‘new State meat inspection program’ means a State meat inspection program that is not approved in accordance with subsection (a) between the effective date of the Farm, Nutrition, and Bioenergy Act of 2007 and the date that is one year after the effective date of such Act.

“(c) COOPERATIVE AGREEMENT.—Notwithstanding chapter 63 of title 31, United States Code, the Secretary may enter into a cooperative agreement with a State that—

“(1) establishes the terms governing the relationship between the Secretary and the State meat inspection program;

“(2) provides that the State will adopt (including adoption by reference) provisions identical to titles I, II, and IV (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under those titles);

the establishment as of the date of enactment of this section; or

“(iii) was a State establishment as of the date of enactment of this section that--

“(I) as of the date of enactment of this section, employed more than 25 employees; and

“(II) was reorganized on a later date by the person, firm, or corporation that controlled the establishment as of the date of enactment of this section;

“(D) is in violation of this Act;

“(E) is located in a State that does not have a State inspection program; or

“(F) is the subject of a transition carried out in accordance with a procedure developed by the Secretary under paragraph (3)(A).

“(3) ESTABLISHMENTS THAT EMPLOY MORE THAN 25 EMPLOYEES-

“(A) DEVELOPMENT OF PROCEDURE- The Secretary may develop a procedure to transition to a Federal establishment any establishment under this section that, on average, consistently employs more than 25 employees.

“(B) ELIGIBILITY OF CERTAIN ESTABLISHMENTS-

“(i) IN GENERAL- A State establishment that employs more than 25 employees but less than 35 employees as of the date of enactment of this section may be selected as a selected establishment under this subsection.

“(ii) PROCEDURES- A State establishment shall be subject to the procedures established under subparagraph (A) beginning on the date that is 3 years after the effective date described in subsection (j).

“(c) Reimbursement of State Costs-

“(1) IN GENERAL- Except as provided in paragraph (2), the Secretary shall reimburse a State for costs related to the inspection of selected establishments in the State in accordance with Federal requirements in an amount of not less than 60 percent of eligible State costs.

“(2) MICROBIOLOGICAL VERIFICATION TESTING- The Secretary may reimburse a State for 100 percent of eligible State costs relating to the inspection of selected establishments in the State, if the State provides additional microbiological verification testing of the selected establishments, using standards under this Act, that is in excess of the typical verification testing frequency of the Federal Government with

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(3) provides that State-inspected and passed meat and meat food products shall be marked with a mark of State inspection, which shall be deemed to be an official mark, in accordance with requirements issued by the Secretary;

“(4) provides that the State will comply with all labeling requirements issued by the Secretary governing meat and meat food products inspected under the State meat inspection program;

“(5) provides that the Secretary shall have authority—

“(A) to detain and seize livestock, carcasses, parts of carcasses, meat, and meat food products under the State meat inspection program;

“(B) to obtain access to facilities, records, livestock, carcasses, parts of carcasses, meat, and meat food products of any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products inspected under the State meat inspection program to determine compliance with this Act (including the regulations issued under this Act); and

“(C) to direct the State to conduct any activity authorized to be conducted by the Secretary under this Act (including the regulations issued under this Act); and

“(6) includes such other terms as the Secretary determines to be necessary to ensure that the actions of the State and the State meat inspection program are consistent with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act).

“(d) **RESTRICTION ON ESTABLISHMENT SIZE.**—After the date that is 90 days after the effective date of the Farm, Nutrition, and Bioenergy Act of 2007, establishments with more than 50 employees may not be accepted into a State meat inspection program. Any establishment that is subject to state inspection on such date, may remain subject to State inspection.

“(e) **REIMBURSEMENT OF STATE COSTS.**—The Secretary may reimburse a State for not more than 50 percent of the State’s costs of meeting the Federal requirements for the State meat inspection program.

“(f) **SAMPLING.**—A duly authorized representative of the Secretary shall be afforded access to State inspected establishments to take reasonable samples of the inventory of such establishments upon payment of the fair market value therefor.

“(g) **NONCOMPLIANCE.**—If the Secretary determines that a State meat inspection program does not comply with this title or the cooperative agreement under subsection

respect to Federal establishments.

“(d) Coordination Between Federal and State Agencies-

“(1) IN GENERAL- The Secretary shall designate an employee of the Federal Government as State coordinator for each appropriate State agency--

“(A) to provide oversight and enforcement of this title; and

“(B) to oversee the training and inspection activities of designated personnel of the State agency.

“(2) SUPERVISION- A State coordinator shall be under the direct supervision of the Secretary.

“(3) DUTIES OF STATE COORDINATOR-

“(A) IN GENERAL- A State coordinator shall visit selected establishments with a frequency that is appropriate to ensure that selected establishments are operating in a manner that is consistent with this Act (including regulations and policies under this Act).

“(B) QUARTERLY REPORTS- A State coordinator shall, on a quarterly basis, submit to the Secretary a report that describes the status of each selected establishment that is under the jurisdiction of the State coordinator with respect to the level of compliance of each selected establishment with the requirements of this Act.

“(C) IMMEDIATE NOTIFICATION REQUIREMENT- If a State coordinator determines that any selected establishment that is under the jurisdiction of the State coordinator is in violation of any requirement of this Act, the State coordinator shall--

“(i) immediately notify the Secretary of the violation; and

“(ii) deselect the selected establishment or suspend inspection at the selected establishment.

“(4) PERFORMANCE EVALUATIONS- Performance evaluations of State coordinators designated under this subsection shall be conducted by the Secretary as part of the Federal agency management control system.

“(e) Audits-

“(1) PERIODIC AUDITS CONDUCTED BY INSPECTOR GENERAL OF THE DEPARTMENT OF AGRICULTURE- Not later than 2 years after the effective date described in subsection (j), and not less often than every 2 years thereafter, the Inspector

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(c), the Secretary shall take such action as the Secretary determines to be necessary to ensure that the carcasses, parts of carcasses, meat, and meat food products in the State are inspected in a manner that effectuates this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act).

“SEC. 303. AUTHORITY TO TAKE OVER STATE MEAT INSPECTION PROGRAMS.

“(a) **NOTIFICATION.**—If the Secretary has reason to believe that a State is not in compliance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement under section 302(c) and is considering the revocation or temporary suspension of the approval of the State meat inspection program, the Secretary shall promptly notify and consult with the Governor of the State.

“(b) **SUSPENSION AND REVOCATION.**—

“(1) **IN GENERAL.**—The Secretary may revoke or temporarily suspend the approval of a State meat inspection program and take over a State meat inspection program if the Secretary determines that the State meat inspection program is not in compliance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement under section 302(c).

“(2) **PROCEDURES FOR REINSTATEMENT.**—A State meat inspection program that has been the subject of a revocation may be reinstated as an approved State meat inspection program under this Act only in accordance with the procedures under section 302(b)(2)(B).

“(c) **PUBLICATION.**—If the Secretary revokes or temporarily suspends the approval of a State meat inspection program in accordance with subsection (b), the Secretary shall publish notice of the revocation or temporary suspension under that subsection in the Federal Register.

“(d) **INSPECTION OF ESTABLISHMENTS.**—Not later than 30 days after the date of publication of a determination under subsection (c), an establishment subject to a State meat inspection program with respect to which the Secretary makes a determination under subsection (b) shall be inspected by the Secretary.

“SEC. 304. EXPEDITED AUTHORITY TO TAKE OVER INSPECTION OF STATE-INSPECTED ESTABLISHMENTS.

“Notwithstanding any other provision of this title, if the Secretary determines that an

General of the Department of Agriculture shall conduct an audit of each activity taken by the Secretary under this section for the period covered by the audit to determine compliance with this section.

“(2) **AUDIT CONDUCTED BY COMPTROLLER GENERAL OF THE UNITED STATES-** Not earlier than 3 years, nor later than 5 years, after the date of enactment of this section, the Comptroller General of the United States shall conduct an audit of the implementation of this section to determine--

“(A) the effectiveness of the implementation of this section; and

“(B) the number of selected establishments selected by the Secretary under this section.

“(f) **Inspection Training Division-**

“(1) **ESTABLISHMENT-** Not later than 180 days after the effective date described in subsection (j), the Secretary shall establish in the Food Safety and Inspection Service of the Department of Agriculture an inspection training division to coordinate the initiatives of any other appropriate agency of the Department of Agriculture to provide--

“(A) outreach, education, and training to very small or certain small establishments (as defined by the Secretary); and

“(B) grants to appropriate State agencies to provide outreach, technical assistance, education, and training to very small or certain small establishments (as defined by the Secretary).

“(2) **PERSONNEL-** The inspection training division shall be comprised of individuals that, as determined by the Secretary--

“(A) are of a quantity sufficient to carry out the duties of the inspection training division; and

“(B) possess appropriate qualifications and expertise relating to the duties of the inspection training division.

“(g) **Transition Grants-** The Secretary may provide grants to appropriate State agencies to assist the appropriate State agencies in helping establishments covered by title III to transition to selected establishments.

“(h) **Violations-** Any selected establishment that the Secretary determines to be in violation of any requirement of this Act shall be transitioned to a Federal establishment in accordance with a procedure developed by the Secretary under subsection (b)(3)(A).

HOUSE BILL (H.R. 2419)

establishment operating under a State meat inspection program is not operating in accordance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement under section 302(c), and the State, after notification by the Secretary to the Governor, has not taken appropriate action within a reasonable time as determined by the Secretary, the Secretary may immediately determine that the establishment is an establishment that shall be inspected by the Secretary, until such time as the Secretary determines that the State will meet the requirements of this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements) and the cooperative agreement with respect to the establishment.

“SEC. 305. ANNUAL REVIEW.

“(a) **IN GENERAL.**—The Secretary shall develop and implement a process to annually review each State meat inspection program approved under this title and to certify the State meat inspection programs that comply with the cooperative agreement entered into with the State under section 302(c).

“(b) **COMMENT FROM INTERESTED PARTIES.**—In developing the review process described in subsection (a), the Secretary shall solicit comment from interested parties.

“SEC. 306. FEDERAL INSPECTION OPTION.

“(a) **IN GENERAL.**—An establishment that operates in a State with an approved State meat inspection program may apply for inspection under the State meat inspection program or for Federal inspection.

“(b) **LIMITATION.**—An establishment shall not make an application under subsection (a) more than once every four years.”.

(2) **RESTAURANTS AND RETAIL STORES.**—Title IV of the Federal Meat Inspection Act is amended—

(A) by redesignating section 411 (21 U.S.C. 681) as section 414; and

(B) by inserting after section 410 (21 U.S.C. 680) the following:

“SEC. 411. RESTAURANTS AND RETAIL STORES.

“(a) **LIMITATION ON APPLICABILITY OF INSPECTION REQUIREMENTS.**—The provisions of this Act requiring inspection of the slaughter of animals and the preparation of carcasses, parts of carcasses, meat, and meat food products shall not apply to operations of types traditionally and usually conducted at retail stores and restaurants,

SENATE AMENDMENT

“(i) **Effect-** Nothing in this section limits the jurisdiction of the Secretary with respect to the regulation of meat and meat products under this Act.

“(j) **Effective Date-**

“(1) **IN GENERAL-** This section takes effect on the date on which the Secretary, after providing a period of public comment (including through the conduct of public meetings or hearings), promulgates final regulations to carry out this section.

“(2) **REQUIREMENT-** Not later than 18 months after the date of enactment of this section, the Secretary shall promulgate final regulations in accordance with paragraph (1).’.

(b) **Poultry and Poultry Products-** The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) is amended by adding at the end the following:

“SEC. 31. INTERSTATE SHIPMENT OF POULTRY INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.

“(a) **Definitions-**

“(1) **APPROPRIATE STATE AGENCY-** The term ‘appropriate State agency’ means a State agency described in section 5(a)(1).

“(2) **DESIGNATED PERSONNEL-** The term ‘designated personnel’ means inspection personnel of a State agency that have undergone all necessary inspection training and certification to assist the Secretary in the administration and enforcement of this Act, including regulations.

“(3) **ELIGIBLE ESTABLISHMENT-** The term ‘eligible establishment’ means an establishment that is in compliance with--

“(A) the State inspection program of the State in which the establishment is located; and

“(B) this Act.

“(4) **POULTRY ITEM-** The term ‘poultry item’ means--

“(A) a portion of poultry; and

“(B) a poultry product.

“(5) **SELECTED ESTABLISHMENT-** The term ‘selected establishment’ means an

HOUSE BILL (H.R. 2419)

as determined by the Secretary, if the operations are conducted at a retail store, restaurant, or similar retail establishment for sale of such prepared articles in normal retail quantities or for service of the articles to consumers at such an establishment.

“(b) CENTRAL KITCHEN FACILITIES.—

“(1) **IN GENERAL.**—For the purposes of this section, operations conducted at a central kitchen facility of a restaurant shall be considered to be conducted at a restaurant if the central kitchen of the restaurant prepares meat or meat food products that are ready to eat when they leave the facility and are served in meals or as entrees only to customers at restaurants owned or operated by the same person, firm, or corporation that owns or operates the facility.

“(2) **EXCEPTION.**—A facility described in paragraph (1) shall be subject to section 202 and may be subject to the inspection requirements of title I for as long as the Secretary determines to be necessary, if the Secretary determines that the sanitary conditions or practices of the facility or the processing procedures or methods at the facility are such that any of the meat or meat food products of the facility are rendered adulterated.

“**SEC. 412. ACCEPTANCE OF INTERSTATE SHIPMENTS OF MEAT AND MEAT FOOD PRODUCTS.**

“Notwithstanding any provision of State law, a State or local government shall not prohibit or restrict the movement or sale of meat or meat food products that have been inspected and passed in accordance with this Act for interstate commerce.

“**SEC. 413. ADVISORY COMMITTEES FOR FEDERAL AND STATE PROGRAMS.**

“The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with the Secretary concerning State and Federal programs with respect to meat inspection and other matters within the scope of this Act.”.

(c) **STATE POULTRY INSPECTION PROGRAMS.—**

(1) **IN GENERAL.**—The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) is amended by striking section 5 and inserting the following:

“**SEC. 5. STATE POULTRY INSPECTION PROGRAMS.**

“(a) **POLICY.**—It is the policy of Congress to protect the public from poultry products that are adulterated or misbranded and to assist in efforts by State and other

SENATE AMENDMENT

eligible establishment that is selected by the Secretary, in coordination with the appropriate State agency of the State in which the eligible establishment is located, under subsection (b) to ship poultry items in interstate commerce.

“(b) Authority of Secretary To Allow Shipments-

“(1) **IN GENERAL-** Subject to paragraph (2), the Secretary, in coordination with the appropriate State agency of the State in which an establishment is located, may select the establishment to ship poultry items in interstate commerce, and place on each poultry item shipped in interstate commerce a Federal mark, stamp, tag, or label of inspection, if the establishment--

“(A) is an eligible establishment; and

“(B) is located in a State that has designated personnel to inspect the eligible establishment.

“(2) **PROHIBITED ESTABLISHMENTS-** In carrying out paragraph (1), the Secretary, in coordination with an appropriate State agency, shall not select an establishment that--

“(A) on average, employs more than 25 employees (including supervisory and nonsupervisory employees), as defined by the Secretary;

“(B) as of the date of enactment of this section, ships in interstate commerce carcasses, poultry items that are inspected by the Secretary in accordance with this Act;

“(C)(i) is a Federal establishment;

“(ii) was a Federal establishment as of the date of enactment of this section, and was reorganized on a later date under the same name or a different name or person by the person, firm, or corporation that controlled the establishment as of the date of enactment of this section; or

“(iii) was a State establishment as of the date of enactment of this section that--

“(I) as of the date of enactment of this section, employed more than 25 employees; and

“(II) was reorganized on a later date by the person, firm, or corporation that controlled the establishment as of the date of enactment of this section;

“(D) is in violation of this Act;

“(E) is located in a State that does not have a State inspection program; or

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

government agencies to accomplish that policy.

“(b) **FINDINGS.**—Congress finds that—

“(1) the goal of a safe and wholesome supply of poultry products throughout the United States would be better served if a consistent set of requirements, established by the Federal Government, were applied to all poultry products, whether produced under State inspection or Federal inspection;

“(2) under such a system, State and Federal poultry inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer confidence in the food supply in interstate commerce; and

“(3) such a system would ensure the viability of State poultry inspection programs, which should help to foster the viability of small official establishments.

“(c) **APPROVAL OF STATE POULTRY INSPECTION PROGRAMS.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of this Act, the Secretary may approve a State poultry inspection program and allow the shipment in commerce of poultry products inspected under the State poultry inspection program in accordance with this section and section 5A.

“(2) **ELIGIBILITY.**—

“(A) **IN GENERAL.**—To receive or maintain approval from the Secretary for a State poultry inspection program in accordance with paragraph (1), a State shall—

“(i) implement a State poultry inspection program that enforces the mandatory antemortem and postmortem inspection, reinspection, sanitation, and related Federal requirements of sections 1 through 4 and 6 through 33 (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under those sections); and

“(ii) enter into a cooperative agreement with the Secretary in accordance with paragraph (3).

“(B) **ADDITIONAL REQUIREMENTS.**—

“(i) **IN GENERAL.**—In addition to the requirements described in subparagraph (A), a State poultry inspection program reviewed in accordance with section 11103(a) of the Farm, Nutrition, and Bioenergy Act of 2007 shall implement, not later 180 days after the date on which the report is submitted under subsection (b) of such section, all recommendations from the review, in a manner approved by the Secretary.

“(F) is the subject of a transition carried out in accordance with a procedure developed by the Secretary under paragraph (3)(A).

“(3) **ESTABLISHMENTS THAT EMPLOY MORE THAN 25 EMPLOYEES-**

“(A) **DEVELOPMENT OF PROCEDURE-** The Secretary may develop a procedure to transition to a Federal establishment any establishment under this section that, on average, consistently employs more than 25 employees.

“(B) **ELIGIBILITY OF CERTAIN ESTABLISHMENTS-**

“(i) **IN GENERAL-** A State establishment that employs more than 25 employees but less than 35 employees as of the date of enactment of this section may be selected as a selected establishment under this subsection.

“(ii) **PROCEDURES-** A State establishment shall be subject to the procedures established under subparagraph (A) beginning on the date that is 3 years after the effective date described in subsection (i).

“(c) **Reimbursement of State Costs-**

“(1) **IN GENERAL-** Except as provided in paragraph (2), the Secretary shall reimburse a State for costs related to the inspection of selected establishments in the State in accordance with Federal requirements in an amount of not less than 60 percent of eligible State costs.

“(2) **MICROBIOLOGICAL VERIFICATION TESTING-** The Secretary may reimburse a State for 100 percent of eligible State costs relating to the inspection of selected establishments in the State, if the State provides additional microbiological verification testing of the selected establishments, using standards under this Act, that is in excess of the typical verification testing frequency of the Federal Government with respect to Federal establishments.

“(d) **Coordination Between Federal and State Agencies-**

“(1) **IN GENERAL-** The Secretary shall designate an employee of the Federal Government as State coordinator for each appropriate State agency--

“(A) to provide oversight and enforcement of this section; and

“(B) to oversee the training and inspection activities of designated personnel of the State agency.

“(2) **SUPERVISION-** A State coordinator shall be under the direct supervision of

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(ii) **REVIEW OF NEW STATE POULTRY INSPECTION PROGRAMS.**—

“(I) **REVIEW REQUIREMENT.**—Not later than one year after the date on which the Secretary approves a new State poultry inspection program, the Secretary shall conduct a review of the new State poultry inspection program, which shall include—

“(aa) a determination of the effectiveness of the new State poultry inspection program; and

“(bb) identification of changes necessary to ensure enforcement of Federal inspection requirements.

“(II) **IMPLEMENTATION REQUIREMENTS.**—In addition to the requirements described in subparagraph (A), to continue to be an approved State poultry inspection program, a new State poultry inspection program shall implement all recommendations from the review conducted in accordance with this clause, in a manner approved by the Secretary.

“(III) **DEFINITION OF NEW STATE POULTRY INSPECTION PROGRAM.**—In this clause, the term ‘new State poultry inspection program’ means a State poultry inspection program that is not approved in accordance with paragraph (1) between the effective date of the Farm, Nutrition, and Bioenergy Act of 2007 and the date that is one year after the effective date of such Act.

“(3) **COOPERATIVE AGREEMENT.**—Notwithstanding chapter 63 of title 31, United States Code, the Secretary may enter into a cooperative agreement with a State that—

“(A) establishes the terms governing the relationship between the Secretary and the State poultry inspection program;

“(B) provides that the State will adopt (including adoption by reference) provisions identical to sections 1 through 4 and 6 through 33 (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under those sections);

“(C) provides that State-inspected and passed poultry products may be marked with the mark of State inspection, which shall be deemed to be an official mark, in accordance with requirements issued by the Secretary;

“(D) provides that the State will comply with all labeling requirements issued by the Secretary governing poultry products inspected under the State poultry inspection program;

the Secretary.

“(3) **DUTIES OF STATE COORDINATOR-**

“(A) **IN GENERAL-** A State coordinator shall visit selected establishments with a frequency that is appropriate to ensure that selected establishments are operating in a manner that is consistent with this Act (including regulations and policies under this Act).

“(B) **QUARTERLY REPORTS-** A State coordinator shall, on a quarterly basis, submit to the Secretary a report that describes the status of each selected establishment that is under the jurisdiction of the State coordinator with respect to the level of compliance of each selected establishment with the requirements of this Act.

“(C) **IMMEDIATE NOTIFICATION REQUIREMENT-** If a State coordinator determines that any selected establishment that is under the jurisdiction of the State coordinator is in violation of any requirement of this Act, the State coordinator shall--

“(i) immediately notify the Secretary of the violation; and

“(ii) deselect the selected establishment or suspend inspection at the selected establishment.

“(4) **PERFORMANCE EVALUATIONS-** Performance evaluations of State coordinators designated under this subsection shall be conducted by the Secretary as part of the Federal agency management control system.

“(e) **Audits-**

“(1) **PERIODIC AUDITS CONDUCTED BY INSPECTOR GENERAL OF THE DEPARTMENT OF AGRICULTURE-** Not later than 2 years after the effective date described in subsection (i), and not less often than every 2 years thereafter, the Inspector General of the Department of Agriculture shall conduct an audit of each activity taken by the Secretary under this section for the period covered by the audit to determine compliance with this section.

“(2) **AUDIT CONDUCTED BY COMPTROLLER GENERAL OF THE UNITED STATES-** Not earlier than 3 years, nor later than 5 years, after the date of enactment of this section, the Comptroller General of the United States shall conduct an audit of the implementation of this section to determine--

“(A) the effectiveness of the implementation of this section; and

“(B) the number of selected establishments selected by the Secretary under this

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(E) provides that the Secretary shall have authority—

“(i) to detain and seize poultry and poultry products under the State poultry inspection program;

“(ii) to obtain access to facilities, records, and poultry products of any person that slaughters, processes, handles, stores, transports, or sells poultry products inspected under the State poultry inspection program to determine compliance with this Act (including the regulations issued under this Act); and

“(iii) to direct the State to conduct any activity authorized to be conducted by the Secretary under this Act (including the regulations issued under this Act); and

“(F) includes such other terms as the Secretary determines to be necessary to ensure that the actions of the State and the State poultry inspection program are consistent with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act).

“(4) **RESTRICTION ON ESTABLISHMENT SIZE.**—After the date that is 90 days after the effective date of the Farm, Nutrition, and Bioenergy Act of 2007, establishments with more than 50 employees may not be accepted into a State meat inspection program. Any establishment that is subject to state inspection on such date may remain subject to state inspection.

“(5) **REIMBURSEMENT OF STATE COSTS.**—The Secretary may reimburse a State for not more than 60 percent of the State’s costs of meeting the Federal requirements for the State poultry inspection program.

“(6) **SAMPLING.**—A duly authorized representative of the Secretary shall be afforded access to State inspected establishments to take reasonable samples of their inventory upon payment of the fair market value therefor.

“(7) **NONCOMPLIANCE.**—If the Secretary determines that a State poultry inspection program does not comply with this section, section 5A, or the cooperative agreement under paragraph (3), the Secretary shall take such action as the Secretary determines to be necessary to ensure that the poultry products in the State are inspected in a manner that effectuates this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act).

“(d) **ANNUAL REVIEW.**—

“(1) **IN GENERAL.**—The Secretary shall develop and implement a process to annually review each State poultry inspection program approved under this section and

section.

“(f) **Transition Grants-** The Secretary may provide grants to appropriate State agencies to assist the appropriate State agencies in helping establishments covered by this Act to transition to selected establishments.

“(g) **Violations-** Any selected establishment that the Secretary determines to be in violation of any requirement of this Act shall be transitioned to a Federal establishment in accordance with a procedure developed by the Secretary under subsection (b)(3)(A).

“(h) **Effect-** Nothing in this section limits the jurisdiction of the Secretary with respect to the regulation of poultry and poultry products under this Act.

“(i) **Effective Date-**

“(1) **IN GENERAL-** This section takes effect on the date on which the Secretary, after providing a period of public comment (including through the conduct of public meetings or hearings), promulgates final regulations to carry out this section.

“(2) **REQUIREMENT-** Not later than 18 months after the date of enactment of this section, the Secretary shall promulgate final regulations in accordance with paragraph (1).’.

to certify the State poultry inspection programs that comply with the cooperative agreement entered into with the State under subsection (c)(3).

“(2) **COMMENT FROM INTERESTED PARTIES.**—In developing the review process described in paragraph (1), the Secretary shall solicit comment from interested parties.

“(e) **FEDERAL INSPECTION OPTION.**—

“(1) **IN GENERAL.**—An official establishment that operates in a State with an approved State poultry inspection program may apply for inspection under the State poultry inspection program or for Federal inspection.

“(2) **LIMITATION.**—An official establishment shall not make an application under paragraph (1) more than once every 4 years.

“**SEC. 5A. AUTHORITY TO TAKE OVER STATE POULTRY INSPECTION ACTIVITIES.**

“(a) **AUTHORITY TO TAKE OVER STATE POULTRY INSPECTION PROGRAMS.**—

“(1) **NOTIFICATION.**—If the Secretary has reason to believe that a State is not in compliance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement under section 5(c)(3) and is considering the revocation or temporary suspension of the approval of the State poultry inspection program, the Secretary shall promptly notify and consult with the Governor of the State.

“(2) **SUSPENSION AND REVOCATION.**—

“(A) **IN GENERAL.**—The Secretary may revoke or temporarily suspend the approval of a State poultry inspection program and take over a State poultry inspection program if the Secretary determines that the State poultry inspection program is not in compliance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement.

“(B) **PROCEDURES FOR REINSTATEMENT.**—A State poultry inspection program that has been the subject of a revocation may be reinstated as an approved State poultry inspection program under this Act only in accordance with the procedures under section 5(c)(2)(B)(ii).

“(3) **PUBLICATION.**—If the Secretary revokes or temporarily suspends the approval of a State poultry inspection program in accordance with paragraph (2), the Secretary shall publish notice of the revocation or temporary suspension under that paragraph in

the Federal Register.

“(4) **INSPECTION OF ESTABLISHMENTS.**—Not later than 30 days after the date of publication of a determination under paragraph (3), an official establishment subject to a State poultry inspection program with respect to which the Secretary makes a determination under paragraph (2) shall be inspected by the Secretary.

“(b) **EXPEDITED AUTHORITY TO TAKE OVER INSPECTION OF STATE-INSPECTED OFFICIAL ESTABLISHMENTS.**—Notwithstanding any other provision of this title, if the Secretary determines that an official establishment operating under a State poultry inspection program is not operating in accordance with this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under this Act) or the cooperative agreement under section 5(c)(3), and the State, after notification by the Secretary to the Governor, has not taken appropriate action within a reasonable time as determined by the Secretary, the Secretary may immediately determine that the official establishment is an establishment that shall be inspected by the Secretary, until such time as the Secretary determines that the State will meet the requirements of this Act (including the regulations, directives, notices, policy memoranda, and other regulatory requirements) and the cooperative agreement with respect to the official establishment.”.

(2) **RESTAURANTS AND RETAIL STORES, ACCEPTANCE OF INTERSTATE SHIPMENTS OF POULTRY PRODUCTS, AND ADVISORY COMMITTEES FOR FEDERAL AND STATE PROGRAMS.**—The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) is amended by inserting after section 30 the following:

“SEC. 31. RESTAURANTS AND RETAIL STORES.

“(a) **LIMITATION ON APPLICABILITY OF INSPECTION REQUIREMENTS.**—The provisions of this Act requiring inspection of the slaughter of poultry and the processing of poultry products shall not apply to operations of types traditionally and usually conducted at retail stores and restaurants, if the operations are conducted at a retail store, restaurant, or similar retail establishment for sale of such prepared articles in normal retail quantities or for service of the articles to consumers at such an establishment.

“(b) **CENTRAL KITCHEN FACILITIES.**—

“(1) **IN GENERAL.**—For the purposes of this section, operations conducted at a central kitchen facility of a restaurant shall be considered to be conducted at a restaurant if the central kitchen of the restaurant prepares poultry products that are ready to eat when they leave the facility and are served in meals or as entrees only to customers at

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

restaurants owned or operated by the same person that owns or operates the facility.

“(2) **EXCEPTION.**—A facility described in paragraph (1) shall be subject to section 11(b) and may be subject to the inspection requirements of this Act for as long as the Secretary determines to be necessary, if the Secretary determines that the sanitary conditions or practices of the facility or the processing procedures or methods at the facility are such that any of the poultry products of the facility are rendered adulterated.

“**SEC. 32. ACCEPTANCE OF INTERSTATE SHIPMENTS OF POULTRY PRODUCTS.**

“Notwithstanding any provision of State law, a State or local government shall not prohibit or restrict the movement or sale of poultry products that have been inspected and passed in accordance with this Act for interstate commerce.

“**SEC. 33. ADVISORY COMMITTEES FOR FEDERAL AND STATE PROGRAMS.**

“The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with the Secretary concerning State and Federal programs with respect to poultry product inspection and other matters within the scope of this Act.”.

(d) **REGULATIONS.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to implement the amendments made by subsections (b) and (c).

(e) **EFFECTIVE DATE.**—The amendments made by subsections (b) and (c) of this Act shall take effect on the date that is 180 days after the date of the enactment of this Act.

No comparable provision.

SEC. 11060. CONGRESSIONAL BIPARTISAN FOOD SAFETY COMMISSION.

(a) Commission-

(1) ESTABLISHMENT-

(A) IN GENERAL- There is established a commission to be known as the ‘Congressional Bipartisan Food Safety Commission’ (referred to in this section as the ‘Commission’).

(B) PURPOSE- The purpose of the Commission shall be to act in a bipartisan,

consensus-driven fashion--

(i) to review the food safety system of the United States;

(ii) to prepare a report that--

(I) summarizes information about the food safety system as in effect as of the date of enactment of this Act; and

(II) makes recommendations on ways--

(aa) to modernize the food safety system of the United States;

(bb) to harmonize and update food safety statutes;

(cc) to improve Federal, State, local, and interagency coordination of food safety personnel, activities, budgets, and leadership;

(dd) to best allocate scarce resources according to risk;

(ee) to ensure that regulations, directives, guidance, and other standards and requirements are based on best-available science and technology;

(ff) to emphasize preventative rather than reactive strategies; and

(gg) to provide to Federal agencies funding mechanisms necessary to effectively carry out food safety responsibilities; and

(iii) to draft specific statutory language, including detailed summaries of the language and budget recommendations, that would implement the recommendations of the Commission.

(2) MEMBERSHIP-

(A) COMPOSITION- The Commission shall be composed of 19 members.

(B) ELIGIBILITY- Members of the Commission shall--

(i) have specialized training, education, or significant experience in at least 1 of the areas of--

(I) food safety research;

(II) food safety law and policy; and

(III) program design and implementation;

(ii) consist of--

- (I) the Secretary of Agriculture (or a designee);
- (II) the Secretary of Health and Human Services (or a designee);
- (III) 1 Member of the House of Representatives; and
- (IV) 1 Member of the Senate; and
- (V) 15 additional members that include, to the maximum extent practicable, representatives of--

- (aa) consumer organizations;
- (bb) agricultural and livestock production;
- (cc) public health professionals;
- (dd) State regulators;
- (ee) Federal employees; and
- (ff) the livestock and food manufacturing and processing industry.

(C) APPOINTMENTS-

- (i) IN GENERAL- The appointment of the members of the Commission shall be made not later than 60 days after the date of enactment of this Act.
- (ii) CERTAIN APPOINTMENTS- Of the members of the Commission described in subparagraph (B)(ii)(V)--

- (I) 2 shall be appointed by the President;
- (II) 7 shall be appointed by a working group consisting of--

- (aa) the Chairman of each of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Health, Education, Labor, and Pensions of the Senate;
- (bb) the Chairman of each of the Committee on Agriculture and the Committee on Energy and Commerce of the House of Representatives;
- (cc) the Speaker of the House of Representatives; and
- (dd) the Majority Leader of the Senate; and

(III) 6 shall be appointed by a working group consisting of--

(aa) the Ranking Member of each of the Committees described in items (aa) and (bb) of subclause (II);

(bb) the Minority Leader of the House of Representatives; and

(cc) the Minority Leader of the Senate.

(D) TERM- A member of the Commission shall be appointed for the life of the Commission.

(E) VACANCIES- A vacancy on the Commission--

(i) shall not affect the powers of the Commission; and

(ii) shall be filled in the same manner as the original appointment was made.

(3) MEETINGS-

(A) INITIAL MEETING- Except as provided in subparagraph (B), the initial meeting of the Commission shall be conducted in Washington, District of Columbia, not later than 30 days after the date of appointment of the final member of the Commission under paragraph (2)(C).

(B) MEETING FOR PARTIAL APPOINTMENT- If, as of the date that is 90 days after the date of enactment of this Act, all members of the Commission have not been appointed under paragraph (2)(C), but at least 8 members have been appointed, the Commission may hold the initial meeting of the Commission.

(C) OTHER MEETINGS- The Commission shall--

(i) hold a series of at least 5 stakeholder meetings to solicit public comment, including--

(I) at least 1 stakeholder meeting, to be held in Washington, District of Columbia; and

(II) at least 4 stakeholder meetings, to be held in various regions of the United States; and

(ii) meet at the call of--

(I) the Chairperson;

(II) the Vice-Chairperson; or

(III) a majority of the members of the Commission.

(D) PUBLIC PARTICIPATION; INFORMATION- To the maximum extent practicable--

(i) each meeting of the Commission shall be open to the public; and

(ii) all information from a meeting of the Commission shall be recorded and made available to the public.

(E) QUORUM- With respect to meetings of the Commission--

(i) a majority of the members of the Commission shall constitute a quorum for the conduct of business of the Commission; but

(ii) for the purpose of a stakeholder meeting described in subparagraph (C)(i), 4 or more members of the Commission shall constitute a quorum.

(F) FACILITATOR- The Commission shall contract with a nonpolitical, disinterested third-party entity to serve as a meeting facilitator.

(4) CHAIRPERSON AND VICE-CHAIRPERSON- At the initial meeting of the Commission, the members of the Commission shall select from among the members a Chairperson and Vice-Chairperson of the Commission.

(b) Duties-

(1) RECOMMENDATIONS- The Commission shall review and consider the statutes, studies, and reports described in paragraph (2) for the purpose of understanding the food safety system of the United States in existence as of the date of enactment of this Act.

(2) STATUTES, STUDIES, AND REPORTS- The statutes, studies, and reports referred to in paragraph (1) include--

(A) with respect with respect to laws administered by the Secretary of Agriculture--

(i) the Federal Seed Act (7 U.S.C. 1551 et seq.);

(ii) the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.);

(iii) the Animal Health Protection Act (7 U.S.C. 8301 et seq.);

(iv) the Lacey Act Amendments of 1981 (16 U.S.C. 3371 et seq.);

(v) the Poultry Products Inspection Act (21 U.S.C. 451 et seq.);

(vi) the Federal Meat Inspection Act (21 U.S.C. 601 et seq.); and

(vii) the Egg Products Inspection Act (21 U.S.C. 1031 et seq.);

(B) with respect to laws administered by the Secretary of the Treasury, the Federal Alcohol Administration Act (27 U.S.C. 201 et seq.);

(C) with respect to laws administered by the Federal Trade Commission, the Act of September 26, 1914 (15 U.S.C. 41 et seq.);

(D) with respect to laws administered by the Secretary of Health and Human Services--

(i) chapters I through IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.);

(ii) the Public Health Service Act (42 U.S.C. 201 et seq.);

(iii) the Import Milk Act (21 U.S.C. 141 et seq.);

(iv) the Food Additives Amendment of 1958 (Public Law 85-929; 52 Stat. 1041);

(v) the Fair Packaging and Labeling Act (Public Law 89-755; 80 Stat. 1296);

(vi) the Infant Formula Act of 1980 (21 U.S.C. 301 note; Public Law 96-359);

(vii) the Pesticide Monitoring Improvements Act of 1988 (Public Law 100-418; 102 Stat. 1411);

(viii) the Nutrition Labeling and Education Act of 1990 (21 U.S.C. 301 note; Public Law 101-535);

(ix) the Food and Drug Administration Modernization Act of 1997 (21 U.S.C. 301 note; Public Law 105-115); and

(x) the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (21 U.S.C. 201 note; Public Law 107-188);

(E) with respect to laws administered by the Attorney General, the Federal Anti-Tampering Act (18 U.S.C. 1365 note; Public Law 98-127);

(F) with respect to laws administered by the Administrator of the Environmental Protection Agency--

(i) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.);

(ii) the Food Quality Protection Act of 1996 (7 U.S.C. 136 note; Public Law 104-170);

(iii) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

(iv) the Safe Drinking Water Act of 1974 (42 U.S.C. 201 note; Public Law 93-523);
and

(G) with respect to laws administered by the Secretary of Transportation, chapter 57 of subtitle II of title 49, United States Code (relating to sanitary food transportation); and

(H) with respect to Government studies on food safety--

(i) the report of the National Academies of Science entitled 'Ensuring Safe Food from Production to Consumption' and dated 1998;

(ii) the report of the National Academies of Science entitled 'Scientific Criteria to Ensure Safe Food' and dated 2003;

(iii) reports of the Office of the Inspector General of the Department of Agriculture, including--

(I) report 24601-0008-CH, entitled 'Egg Products Processing Inspection' and dated September 18, 2007;

(II) report 24005-1-AT, entitled 'Food Safety and Inspection Service--State Meat and Poultry Inspection Programs' and dated September 27, 2006;

(III) report 24601-06-CH, entitled 'Food Safety and Inspection Service's In-Plant Performance System' and dated March 28, 2006;

(IV) report 24601-05-AT, entitled 'Hazard Analysis and Critical Control Point Implementation at Very Small Plants' and dated June 24, 2005;

(V) report 24601-04-HY, entitled 'Food Safety and Inspection Service Oversight of the 2004 Recall by Quaker Maid Meats, Inc.' and dated May 18, 2005;

(VI) report 24501-01-FM, entitled 'Food Safety and Inspection Service Application Controls--Performance Based Inspection System' and dated November 24, 2004;

(VII) report 24601-03-CH, entitled 'Food Safety and Inspection Service Use of Food Safety Information' and dated September 30, 2004;

(VIII) report 24601-03-HY, entitled 'Food Safety and Inspection Service Effectiveness Checks for the 2002 Pilgrim's Pride Recall' and dated June 29, 2004;

(IX) report 24601-02-HY, entitled `Food Safety and Inspection Service Oversight of the Listeria Outbreak in the Northeastern United States' and dated June 9, 2004;

(X) report 24099-05-HY, entitled `Food Safety and Inspection Service Imported Meat and Poultry Equivalence Determinations Phase III' and dated December 29, 2003;

(XI) report 24601-2-KC, entitled `Food Safety and Inspection Service--Oversight of Production Process and Recall at Conagra Plant (Establishment 969)' and dated September 30, 2003;

(XII) report 24601-1-Ch, entitled `Laboratory Testing Of Meat And Poultry Products' and dated June 21, 2000;

(XIII) report 24001-3-At, 24601-1-Ch, 24099-3-Hy, 24601-4-At, entitled `Food Safety and Inspection Service: HACCP Implementation, Pathogen Testing Program, Foreign Country Equivalency, Compliance Activities' and dated June 21, 2000; and

(XIV) report 24001-3-At, entitled `Implementation of the Hazard Analysis and Critical Control Point System' and dated June 21, 2000; and

(I) with respect to reports prepared by the Government Accountability Office, the reports designated--

- (i) GAO-05-212;
- (ii) GAO-02-47T;
- (iii) GAO/T-RCED-94-223;
- (iv) GAO/RCED-99-80;
- (v) GAO/T-RCED-98-191;
- (vi) GAO/RCED-98-103;
- (vii) GAO-07-785T;
- (viii) GAO-05-51;
- (ix) GAO/T-RCED-94-311;
- (x) GAO/RCED-92-152;
- (xi) GAO/T-RCED-99-232;
- (xii) GAO/T-RCED-98-271;

(xiii) GAO-07-449T;

(xiv) GAO-05-213;

(xv) GAO-04-588T;

(xvi) GAO/RCED-00-255;

(xvii) GAO/RCED-00-195; and

(xviii) GAO/T-RCED-99-256.

(3) REPORT- Not later than 360 days after the date on which the Commission first meets, the Commission shall submit to the President and Congress a report that includes the report and summaries, statutory language recommendations, and budget recommendations described in clauses (ii) and (iii) of subsection (a)(1)(B).

(c) Powers of the Commission-

(1) HEARINGS- The Commission or, at the direction of the Commission, any member of the Commission, may, for the purpose of carrying out this section--

(A) hold such hearings, meet and act at such times and places, take such testimony, receive such evidence, and administer such oaths; and

(B) require the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, tapes, and materials;

as the Commission or member considers advisable.

(2) INFORMATION FROM FEDERAL AGENCIES-

(A) IN GENERAL- The Commission may secure directly, from any Federal agency, such information as the Commission considers necessary to carry out this section.

(B) PROVISION OF INFORMATION-

(i) IN GENERAL- Subject to subparagraph (C), on the request of the Commission, the head of a Federal agency described in subparagraph (A) shall expeditiously furnish information requested by the Commission to the Commission.

(ii) ADMINISTRATION- The furnishing of information by a Federal agency to the Commission shall not be considered a waiver of any exemption available to the agency under section 552 of title 5, United States Code.

(C) INFORMATION TO BE KEPT CONFIDENTIAL- For purposes of section 1905 of title 18, United States Code--

(i) the Commission shall be considered an agency of the Federal Government; and

(ii) any individual employed by an individual, entity, or organization that is a party to a contract with the Commission under this section shall be considered an employee of the Commission.

(d) Commission Personnel Matters-

(1) MEMBERS-

(A) NON-FEDERAL EMPLOYEES- A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(B) FEDERAL EMPLOYEES- A member of the Commission who is an officer or employee of the Federal Government shall serve without compensation in addition to the compensation received for the services of the member as an officer or employee of the Federal Government.

(C) TRAVEL EXPENSES- A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

(2) STAFF-

(A) EXECUTIVE DIRECTOR- Not later than 30 days after the Chairperson and Vice-Chairperson of the Commission are selected under subsection (a)(4), the Chairperson and Vice-Chairperson shall jointly select an individual to serve as executive director of the Commission.

(B) ADDITIONAL STAFF- The Chairperson of the Commission may, without regard to the civil service laws (including regulations), appoint and terminate the appointment of such other additional personnel as are necessary to enable the Commission to perform the duties of the Commission.

(C) CONFIRMATION OF EXECUTIVE DIRECTOR- The employment of an

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

executive director under this paragraph shall be subject to confirmation by the Commission.

(D) COMPENSATION-

(i) **IN GENERAL-** Except as provided in clause (ii), the Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(ii) **MAXIMUM RATE OF PAY-** The rate of pay for the executive director and other personnel shall not exceed the rate payable for level II of the Executive Schedule under section 5316 of title 5, United States Code.

(3) DETAIL OF FEDERAL GOVERNMENT EMPLOYEES-

(A) **IN GENERAL-** An employee of the Federal Government may be detailed to the Commission, without reimbursement, for such period of time as is permitted by law.

(B) **CIVIL SERVICE STATUS-** The detail of the employee shall be without interruption or loss of civil service status or privilege.

(4) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES-** The Chairperson, Vice-Chairperson, and executive director of the Commission may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of that title.

(e) **Authorization of Appropriations-** There are authorized to be appropriated such sums as are necessary to carry out this section.

(f) **Termination-** The Commission shall terminate on the date that is 60 days after the date on which the Commission submits the report under subsection (b)(2).

No comparable provision.

SEC. 11072. ACTION BY PRESIDENT AND CONGRESS BASED ON REPORT.

(a) **President-** Not later than 180 days after the date on which the Congressional Bipartisan Food Safety Commission established by section 11060(a)(1)(A) submits to the President and Congress the report required under section 11060(b)(3), the President

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

shall--

(1) review the report; and

(2) submit to Congress proposed legislation based on the recommendations for statutory language contained in the report, together with an explanation of the differences, if any, between the recommendations for statutory language contained in the report and the proposed legislation.

(b) Congress- On receipt of the proposed legislation described in subsection (a), the appropriate committees of Congress may hold such hearings and carry out such other activities as are necessary for appropriate consideration of the recommendations for statutory language contained in the report and the proposed legislation.

(c) Sense of Senate- It is the sense of the Senate that--

(1) it is vital for Congress to provide to food safety agencies of the Federal Government, including the Department of Agriculture and the Food and Drug Administration, additional resources, and direction with respect to ensuring the safety of the food supply of the United States;

(2) additional inspectors are required to improve the ability of the Federal Government to safeguard the food supply of the United States;

(3) because of the increasing volume of international trade in food products, the Federal Government should give priority to entering into agreements with trading partners of the United States with respect to food safety; and

(4) based on the report of the Commission referred to in subsection (a) and the proposed legislation referred to in subsection (b), Congress should work toward a comprehensive legislative response to the issue of food safety.

No comparable provision.

SEC. 11087. FOOD SAFETY IMPROVEMENT.

(a) Reportable Food Registries-

(1) FEDERAL MEAT INSPECTION- The Federal Meat Inspection Act is amended--

(A) by redesignating section 411 (21 U.S.C. 680) as section 412; and

(B) by inserting after section 410 (21 U.S.C. 679a) the following:

SEC. 411. REPORTABLE FOOD EVENT.

(a) Definitions- In this section:

(1) REPORTABLE FOOD- The term 'reportable food' means meat or a meat food product under this Act for which there is a reasonable probability that the use of, or exposure to, the meat or meat food product will cause serious adverse health consequences or death to humans or animals.

(2) REGISTRY- The term 'Registry' means the registry established under subsection (b).

(3) RESPONSIBLE PARTY- The term 'responsible party', with respect to a reportable food, means an operator of an establishment subject to inspection under this Act at which the reportable food is manufactured, processed, packed, or held.

(b) Establishment-

(1) IN GENERAL- Not later than 1 year after the date of enactment of the Food and Energy Security Act of 2007, the Secretary shall establish within the Department of Agriculture a Reportable Meat Registry to which information concerning reportable food may be submitted via an electronic portal, from--

(A) employees of the Food Safety and Inspection Service;

(B) Federal, State, and local public health officials; and

(C) responsible parties.

(2) REVIEW BY SECRETARY- The Secretary shall promptly review and assess the information submitted under paragraph (1) for the purposes of--

(A) identifying reportable food;

(B) submitting entries to the Registry;

(C) taking actions under subsection (c); and

(D) exercising other food safety authority of the Secretary to protect the health and safety of humans and animals.

(c) Issuance of an Alert by the Secretary-

(1) IN GENERAL- The Secretary shall issue, or cause to be issued, an alert or a notification with respect to a reportable food using information from the Registry as the

Secretary considers necessary to protect the health and safety of humans and animals.

`(2) EFFECT- Paragraph (1) shall not affect the authority of the Secretary to issue an alert or a notification under any other provision of law.

`(d) Reporting and Notification-

`(1) IN GENERAL- Except as provided in paragraph (2), as soon as practicable, but in no case later than 24 hours after a responsible party determines that meat or meat food product is a reportable food, the responsible party shall--

`(A) submit a report to the Secretary through the Registry that includes information described in subsection (e) (other than the information described in paragraphs (7), (8), and (9) of that subsection); and

`(B) investigate the cause of the event that caused the meat or meat food product to be a reportable food, if the reportable food originated with the responsible party.

`(2) NO REPORT REQUIRED- A responsible party shall not be required to submit a report under paragraph (1) if--

`(A) the adulteration or misbranding originated with the responsible party;

`(B) the responsible party detected the adulteration or misbranding prior to any transfer to another person of the meat or meat food product; and

`(C) the responsible party--

`(i) corrected the adulteration or misbranding; or

`(ii) destroyed or caused the destruction of the meat or meat food product.

`(3) REPORT NUMBER- The Secretary shall ensure that, upon submission of a report under paragraph (1), a unique number is issued through the Registry to the person submitting the report, by which the Secretary is able--

`(A) to link reports about the reportable food submitted and amended under this subsection; and

`(B) identify the supply chain for the reportable food.

`(4) RESPONSE TO REPORT SUBMITTED BY A RESPONSIBLE PARTY- After consultation with the responsible party that submitted a report under paragraph (1), the Secretary may require the responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, 1 or more of the following, as

determined by the Secretary:

`(A) Amend the report submitted by the responsible party under paragraph (1) to include the information described in subsection (e)(8).

`(B) Provide a notification--

`(i) to the immediate previous source of the reportable food;

`(ii) to the immediate subsequent recipient of the reportable food; and

`(iii) that includes--

`(I) the information described in subsection (e) that the Secretary considers necessary;

`(II) the actions described under paragraph (5) that the recipient of the notification shall perform, as required by the Secretary; and

`(III) any other information that the Secretary may require.

`(5) SUBSEQUENT REPORTS AND NOTIFICATIONS- Except as provided in paragraph (6), the Secretary may require a responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, after the responsible party receives a notification under subparagraph (C) or paragraph (4)(B), 1 or more of the following:

`(A) Submit a report to the Secretary through the Registry established under subsection (b) that includes the information described in subsection (e) and other information that the Secretary considers necessary.

`(B) Investigate the cause of the adulteration or misbranding if the adulteration or misbranding of the reportable food may have originated with the responsible party.

`(C) Provide a notification--

`(i) to the immediate previous source of the reportable food;

`(ii) to the immediate subsequent recipient of the reportable food; and

`(iii) that includes--

`(I) the information described in subsection (e) that the Secretary considers necessary;

`(II) the actions described under this paragraph that the recipient of the notification

shall perform, as required by the Secretary; and

`(III) any other information that the Secretary may require.

`(6) AMENDED REPORT- If a responsible party receives a notification under paragraph (4)(B) or paragraph (5)(C) with respect to a reportable food after the responsible party has submitted a report to the Secretary under paragraph (1) with respect to the reportable food, the responsible party--

`(A) shall not be required to submit an additional report or make a notification under paragraph (5); and

`(B) the responsible party shall amend the report submitted by the responsible party under paragraph (1) to include the information described in paragraph (7), and, with respect to both the notification and the report, paragraph (10) of subsection (e).

`(e) Information- The information described in this subsection is the following:

`(1) The date on which the meat or meat food product was determined to be a reportable food.

`(2) A description of the reportable food, including the quantity of the reportable food.

`(3) The extent and nature of the adulteration or misbranding.

`(4) If the adulteration or misbranding of the reportable food may have originated with the responsible party, the results of the investigation required under paragraph (1)(B) or (5)(B) of subsection (d), as applicable, and when known.

`(5) The disposition of the reportable food, if known.

`(6) Product information typically found on packaging including product codes, use-by dates, and the names of manufacturers, packers, or distributors sufficient to identify the reportable food.

`(7) Contact information for the responsible party.

`(8) The contact information for parties directly linked in the supply chain and notified under paragraph (4)(B) or (5)(C) of subsection (d), as applicable.

`(9) The information required by the Secretary to be included in a notification provided by the responsible party involved under paragraph (4)(B) or (5)(C) of subsection (d) or required in a report under subsection (d)(5)(A).

`(10) The unique number described in subsection (d)(3).

`(f) Coordination of Federal, State, and Local Efforts-

`(1) FOOD AND DRUG ADMINISTRATION- In carrying out this section, the Secretary shall--

`(A) share information and coordinate regulatory efforts with the Commissioner of Food and Drugs; and

`(B) if the Secretary receives a report submitted about a food within the jurisdiction of the Commissioner, promptly provide the report to the Commissioner.

`(2) STATES AND LOCALITIES- In carrying out this section, the Secretary shall work with the State and local public health officials to share information that is not confidential commercial or financial information protected under section 552(b)(4) of title 5, United States Code, and coordinate regulatory efforts, in order to--

`(A) help to ensure coverage of the safety of the food supply chain, including those establishments regulated by the States and localities that are not regulated under this Act; and

`(B) reduce duplicative regulatory efforts.

`(g) Maintenance and Inspection of Records-

`(1) IN GENERAL- The responsible party shall maintain records related to each report received, notification made, and report submitted to the Secretary under this section for at least 2 years.

`(2) INSPECTION- A responsible party shall, at the request of the Secretary, permit inspection of records maintained under paragraph (1).

`(h) Request for Information- Section 552 of title 5, United States Code, shall apply to any request for information regarding a record in the Registry.

`(i) Safety Report- A report or notification under subsection (d) may be accompanied by a statement, which shall be part of any report released for public disclosure, that denies that the report or the notification constitutes an admission that the product involved caused or contributed to a death, serious injury, or serious illness.

`(j) Admission- A report or notification under this section shall not be considered an admission that the reportable food involved is adulterated, misbranded, or caused or contributed to a death, serious injury, or serious illness.

`(k) Homeland Security Notification- If, after receiving a report under subsection (d), the Secretary believes the reportable food may have been deliberately adulterated or misbranded, the Secretary shall--

`(1) immediately notify the Secretary of Homeland Security; and

`(2) make relevant information from the Registry available to the Secretary of Homeland Security.

`(l) Violations- A responsible party that fails to comply with any requirement of this section shall be subject to an appropriate penalty under section 406.'.

(2) POULTRY PRODUCTS INSPECTION ACT- The Poultry Products Inspection Act is amended by inserting after section 10 (21 U.S.C. 459) the following:

`SEC. 10A. REPORTABLE FOOD EVENT.

`(a) Definitions- In this section:

`(1) REPORTABLE FOOD- The term `reportable food' means poultry or a poultry product under this Act for which there is a reasonable probability that the use of, or exposure to, the poultry or poultry product will cause serious adverse health consequences or death to humans or animals.

`(2) REGISTRY- The term `Registry' means the registry established under subsection (b).

`(3) RESPONSIBLE PARTY- The term `responsible party', with respect to a reportable food, means an operator of an official establishment.

`(b) Establishment-

`(1) IN GENERAL- Not later than 1 year after the date of enactment of the Food and Energy Security Act of 2007, the Secretary shall establish within the Department of Agriculture a Reportable Poultry Registry to which information concerning reportable food may be submitted via an electronic portal, from--

`(A) employees of the Food Safety and Inspection Service;

`(B) Federal, State, and local public health officials; and

`(C) responsible parties.

`(2) REVIEW BY SECRETARY- The Secretary shall promptly review and assess the information submitted under paragraph (1) for the purposes of--

- `(A) identifying reportable food;
 - `(B) submitting entries to the Registry;
 - `(C) taking actions under subsection (c); and
 - `(D) exercising other food safety authority of the Secretary to protect the health and safety of humans and animals.
- `(c) Issuance of an Alert by the Secretary-
- `(1) IN GENERAL- The Secretary shall issue, or cause to be issued, an alert or a notification with respect to a reportable food using information from the Registry as the Secretary considers necessary to protect the health and safety of humans and animals.
 - `(2) EFFECT- Paragraph (1) shall not affect the authority of the Secretary to issue an alert or a notification under any other provision of law.
- `(d) Reporting and Notification-
- `(1) IN GENERAL- Except as provided in paragraph (2), as soon as practicable, but in no case later than 24 hours after a responsible party determines that poultry or poultry product is a reportable food, the responsible party shall--
 - `(A) submit a report to the Secretary through the Registry that includes information described in subsection (e) (other than the information described in paragraphs (7), (8), and (9) of that subsection); and
 - `(B) investigate the cause of the event that caused the poultry or poultry product to be a reportable food, if the reportable food originated with the responsible party.
 - `(2) NO REPORT REQUIRED- A responsible party shall not be required to submit a report under paragraph (1) if--
 - `(A) the adulteration or misbranding originated with the responsible party;
 - `(B) the responsible party detected the adulteration or misbranding prior to any transfer to another person of the poultry or poultry product; and
 - `(C) the responsible party--
 - `(i) corrected the adulteration or misbranding; or
 - `(ii) destroyed or caused the destruction of the poultry or poultry product.
 - `(3) REPORT NUMBER- The Secretary shall ensure that, upon submission of a

report under paragraph (1), a unique number is issued through the Registry to the person submitting the report, by which the Secretary is able--

`(A) to link reports about the reportable food submitted and amended under this subsection; and

`(B) identify the supply chain for the reportable food.

`(4) RESPONSE TO REPORT SUBMITTED BY A RESPONSIBLE PARTY- After consultation with the responsible party that submitted a report under paragraph (1), the Secretary may require the responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, 1 or more of the following, as determined by the Secretary:

`(A) Amend the report submitted by the responsible party under paragraph (1) to include the information described in subsection (e)(8).

`(B) Provide a notification--

`(i) to the immediate previous source of the reportable food;

`(ii) to the immediate subsequent recipient of the reportable food; and

`(iii) that includes--

`(I) the information described in subsection (e) that the Secretary considers necessary;

`(II) the actions described under paragraph (5) that the recipient of the notification shall perform, as required by the Secretary; and

`(III) any other information that the Secretary may require.

`(5) SUBSEQUENT REPORTS AND NOTIFICATIONS- Except as provided in paragraph (6), the Secretary may require a responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, after the responsible party receives a notification under subparagraph (C) or paragraph (4)(B), 1 or more of the following:

`(A) Submit a report to the Secretary through the Registry established under subsection (b) that includes the information described in subsection (e) and other information that the Secretary considers necessary.

`(B) Investigate the cause of the adulteration or misbranding if the adulteration or misbranding of the reportable food may have originated with the responsible party.

`(C) Provide a notification--

`(i) to the immediate previous source of the reportable food;

`(ii) to the immediate subsequent recipient of the reportable food; and

`(iii) that includes--

`(I) the information described in subsection (e) that the Secretary considers necessary;

`(II) the actions described under this paragraph that the recipient of the notification shall perform, as required by the Secretary; and

`(III) any other information that the Secretary may require.

`(6) AMENDED REPORT- If a responsible party receives a notification under paragraph (4)(B) or paragraph (5)(C) with respect to a reportable food after the responsible party has submitted a report to the Secretary under paragraph (1) with respect to the reportable food, the responsible party--

`(A) shall not be required to submit an additional report or make a notification under paragraph (5); and

`(B) the responsible party shall amend the report submitted by the responsible party under paragraph (1) to include the information described in paragraph (7), and, with respect to both the notification and the report, paragraph (10) of subsection (e).

`(e) Information- The information described in this subsection is the following:

`(1) The date on which the poultry or poultry product was determined to be a reportable food.

`(2) A description of the reportable food, including the quantity of the reportable food.

`(3) The extent and nature of the adulteration or misbranding.

`(4) If the adulteration or misbranding of the reportable food may have originated with the responsible party, the results of the investigation required under paragraph (1)(B) or (5)(B) of subsection (d), as applicable, and when known.

`(5) The disposition of the reportable food, if known.

`(6) Product information typically found on packaging including product codes, use-

by dates, and the names of manufacturers, packers, or distributors sufficient to identify the reportable food.

`(7) Contact information for the responsible party.

`(8) The contact information for parties directly linked in the supply chain and notified under paragraph (4)(B) or (5)(C) of subsection (d), as applicable.

`(9) The information required by the Secretary to be included in a notification provided by the responsible party involved under paragraph (4)(B) or (5)(C) of subsection (d) or required in a report under subsection (d)(5)(A).

`(10) The unique number described in subsection (d)(3).

`(f) Coordination of Federal, State, and Local Efforts-

`(1) FOOD AND DRUG ADMINISTRATION- In carrying out this section, the Secretary shall--

`(A) share information and coordinate regulatory efforts with the Commissioner of Food and Drugs; and

`(B) if the Secretary receives a report submitted about a food within the jurisdiction of the Commissioner, promptly provide the report to the Commissioner.

`(2) STATES AND LOCALITIES- In carrying out this section, the Secretary shall work with the State and local public health officials to share information that is not confidential commercial or financial information protected under section 552(b)(4) of title 5, United States Code, and coordinate regulatory efforts, in order to--

`(A) help to ensure coverage of the safety of the food supply chain, including those establishments regulated by the States and localities that are not regulated under this Act; and

`(B) reduce duplicative regulatory efforts.

`(g) Maintenance and Inspection of Records-

`(1) IN GENERAL- The responsible party shall maintain records related to each report received, notification made, and report submitted to the Secretary under this section for at least 2 years.

`(2) INSPECTION- A responsible party shall, at the request of the Secretary, permit inspection of records maintained under paragraph (1).

`(h) Request for Information- Section 552 of title 5, United States Code, shall apply to any request for information regarding a record in the Registry.

`(i) Safety Report- A report or notification under subsection (d) may be accompanied by a statement, which shall be part of any report released for public disclosure, that denies that the report or the notification constitutes an admission that the product involved caused or contributed to a death, serious injury, or serious illness.

`(j) Admission- A report or notification under this section shall not be considered an admission that the reportable food involved is adulterated, misbranded, or caused or contributed to a death, serious injury, or serious illness.

`(k) Homeland Security Notification- If, after receiving a report under subsection (d), the Secretary believes the reportable food may have been deliberately adulterated or misbranded, the Secretary shall--

`(1) immediately notify the Secretary of Homeland Security; and

`(2) make relevant information from the Registry available to the Secretary of Homeland Security.

`(l) Penalties- A responsible party that fails to comply with any requirement of this section shall be subject to an appropriate penalty under section 12.'

(3) CONFORMING AMENDMENT- Section 12(a) of the Poultry Products Inspection Act (21 U.S.C. 461(a)) is amended by inserting `10A,' after `10,'.

(4) EFFECTIVE DATE- The amendments made by the subsection take effect on the date that is 1 year after the date of enactment of this Act.

(5) GUIDANCE- Not later than 270 days after the date of enactment of this Act, the Secretary shall issue a guidance to industry relating to--

(A) the submission of reports to the registries established under section 411 of the Federal Meat Inspection Act (as amended by paragraph (1)) and section 10A of the Poultry Products Inspection Act (as amended by paragraph (2)); and

(B) the provision of notification to other persons in the supply chain of reportable food under those sections.

(6) EFFECT- Nothing in this subsection, or an amendment made by this subsection, alters the jurisdiction between the Secretary and the Secretary of Health and Human Services, under applicable law (including regulations).

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(b) Supplemental Plans and Reassessments- The Secretary shall require that each establishment required by the Secretary to have a hazard analysis and critical control point plan in accordance with the final rule of the Secretary (61 Fed. Reg. 38806 (July 25, 1996)) shall submit to the Secretary, in writing--

(1) at a minimum, a recall plan described in Directive 8080.1, Rev. 4 (May 24, 2004) of the Food Safety and Inspection Service (or a successor directive); and

(2) for beef products, an E. coli reassessment described in the supplementary information relating to E. coli O157: H7 Contamination of Beef Products (67 Fed. Reg. 62325 (October 7, 2002); part 417 of title 9, Code of Federal Regulations).

(c) Sanitary Transportation of Food-

(1) IN GENERAL- Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate regulations described in section 416(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 350e(b)).

(2) MEMORANDUM OF UNDERSTANDING- Not later than 180 days after the date of enactment of this Act, the Secretary, the Secretary of Health and Human Services, and the Secretary of Transportation shall enter into a memorandum of understanding to ensure that the Secretaries work together effectively to ensure the safety and security of the food supply of the United States, particularly in relation to distribution channels involving transportation (as described in the withdrawal of notices of proposed rulemaking (70 Fed. Reg. 76228 (December 23, 2005))).

SEC. 11316. PROHIBITION ON USE OF LIVE ANIMALS FOR MARKETING MEDICAL DEVICES; FINES UNDER THE ANIMAL WELFARE ACT.

(a) **PROHIBITION ON USE OF ANIMALS FOR MARKETING OF MEDICAL DEVICES.**—The Animal Welfare Act (7 U.S.C. 2131 et seq.) is amended by inserting after section 17 the following new section:

“PROHIBITION ON USE OF LIVE ANIMALS FOR MARKETING MEDICAL DEVICES

“SEC. 18. (a) IN GENERAL.—No person may use a live animal to—

“(1) demonstrate a medical device or product to a sales representative for the purpose of marketing such medical device or product;

“(2) train a sales representative to use a medical device or product;

“(3) demonstrate a medical device or product in a workshop or training session for the purpose of marketing a medical device or product; or

“(4) create a multimedia recording (including a video recording) for the purpose of marketing a medical device or product.

“(b) **EXCEPTION.**—Subsection (a) shall not apply to the training of medical personnel for a purpose other than marketing a medical device or product.

“(c) **DEVICE DEFINED.**—In this section, the term ‘device’ has the meaning given the term in section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h)).”.

(b) **FINES FOR VIOLATIONS OF THE ANIMAL WELFARE ACT.**—Section 19(b) of the Animal Welfare Act (7 U.S.C. 2149(b)) is amended—

(1) in the first sentence by striking “not more than \$2,500 for each such violation” and inserting “not more than \$10,000 for each such violation”; and

(2) by striking the second sentence and inserting the following: “Each violation, each day during which a violation continues, and, in the case of a violation with respect to animals, each animal that is the subject of such a violation shall be a separate offense.”.

(c) **REPORTS ON ACTIVITIES UNDER THE ANIMAL WELFARE ACT.**—The Animal Welfare Act (7 U.S.C. 2131 et seq.) is further amended by striking section 25 and inserting the following new section:

“ANNUAL REPORT

“SEC. 25. Not later than March 1 of each year, the Secretary shall submit to Congress a report containing—

“(1) an identification of all research facilities, exhibitors, and other persons and establishments licensed by the Secretary under section 3 and section 12;

“(2) an identification of all research facilities, intermediate handlers, carriers, and exhibitors registered under section 6;

“(3) the nature and place of all investigations and inspections conducted by the Secretary under section 16, and all reports received by the Secretary under section 13;

“(4) recommendations for legislation to improve the administration of this Act or any provisions of this Act; and

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(5) recommendations and conclusions concerning the aircraft environment as it relates to the carriage of live animals in air transportation.”.

SEC. 11317. PROTECTION OF PETS.

(a) **SHORT TITLE.**—This section may be cited as the “Pet Safety and Protection Act of 2007”.

(b) **RESEARCH FACILITIES.**—Section 7 of the Animal Welfare Act (7 U.S.C. 2137) is amended to read as follows:

“SEC. 7. SOURCES OF DOGS AND CATS FOR RESEARCH FACILITIES.

“(a) **DEFINITION OF PERSON.**—In this section, the term ‘person’ means any individual, partnership, firm, joint stock company, corporation, association, trust, estate, pound, shelter, or other legal entity.

“(b) **USE OF DOGS AND CATS.**—No research facility or Federal research facility may use a dog or cat for research or educational purposes if the dog or cat was obtained from a person other than a person described in subsection (d).

“(c) **SELLING, DONATING, OR OFFERING DOGS AND CATS.**—No person, other than a person described in subsection (d), may sell, donate, or offer a dog or cat to any research facility or Federal research facility.

“(d) **PERMISSIBLE SOURCES.**—A person from whom a research facility or a Federal research facility may obtain a dog or cat for research or educational purposes under subsection (b), and a person who may sell, donate, or offer a dog or cat to a research facility or a Federal research facility under subsection (c), shall be—

“(1) a dealer licensed under section 3 that has bred and raised the dog or cat;

“(2) a publicly owned and operated pound or shelter that—

“(A) is registered with the Secretary;

“(B) is in compliance with section 28(a)(1) and with the requirements for dealers in subsections (b) and (c) of section 28; and

“(C) obtained the dog or cat from its legal owner, other than a pound or shelter;

“(3) a person that is donating the dog or cat and that—

SEC. 11079. PROTECTION OF PETS.

(a) Short Title- This section may be cited as the ‘Pet Safety and Protection Act of 2007’.

(b) Research Facilities- Section 7 of the Animal Welfare Act (7 U.S.C. 2137) is amended to read as follows:

‘SEC. 7. SOURCES OF DOGS AND CATS FOR RESEARCH FACILITIES.

‘(a) Definition of Person- In this section, the term ‘person’ means any individual, partnership, firm, joint stock company, corporation, association, trust, estate, pound, shelter, or other legal entity.

‘(b) Use of Dogs and Cats- No research facility or Federal research facility may use a dog or cat for research or educational purposes if the dog or cat was obtained from a person other than a person described in subsection (d).

‘(c) Selling, Donating, or Offering Dogs and Cats- No person, other than a person described in subsection (d), may sell, donate, or offer a dog or cat to any research facility or Federal research facility.

‘(d) Permissible Sources- A person from whom a research facility or a Federal research facility may obtain a dog or cat for research or educational purposes under subsection (b), and a person who may sell, donate, or offer a dog or cat to a research facility or a Federal research facility under subsection (c), shall be--

‘(1) a dealer licensed under section 3 that has bred and raised the dog or cat;

‘(2) a publicly owned and operated pound or shelter that--

‘(A) is registered with the Secretary;

‘(B) is in compliance with section 28(a)(1) and with the requirements for dealers in subsections (b) and (c) of section 28; and

‘(C) obtained the dog or cat from its legal owner, other than a pound or shelter;

‘(3) a person that is donating the dog or cat and that--

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>“(A) bred and raised the dog or cat; or</p> <p>“(B) owned the dog or cat for not less than 1 year immediately preceding the donation;</p> <p>“(4) a research facility licensed by the Secretary; and</p> <p>“(5) a Federal research facility licensed by the Secretary.</p> <p>“(e) PENALTIES.—</p> <p>“(1) IN GENERAL.—A person that violates this section shall be fined \$1,000 for each violation.</p> <p>“(2) ADDITIONAL PENALTY.—A penalty under this subsection shall be in addition to any other applicable penalty.</p> <p>“(f) NO REQUIRED SALE OR DONATION.—Nothing in this section requires a pound or shelter to sell, donate, or offer a dog or cat to a research facility or Federal research facility.”.</p> <p>(c) FEDERAL RESEARCH FACILITIES.—Section 8 of the Animal Welfare Act (7 U.S.C. 2138) is amended—</p> <p>(1) by striking “Sec. 8. No department” and inserting the following:</p> <p>“SEC. 8. FEDERAL RESEARCH FACILITIES.</p> <p>“Except as provided in section 7, no department”;</p> <p>(2) by striking “research or experimentation or”; and</p> <p>(3) by striking “such purposes” and inserting “that purpose”.</p> <p>(d) CERTIFICATION.—Section 28(b)(1) of the Animal Welfare Act (7 U.S.C. 2158(b)(1)) is amended by striking “individual or entity” and inserting “research facility or Federal research facility”.</p> <p>(e) EFFECTIVE DATE.—The amendments made by subsections (b), (c), and (d) take effect on the date that is 90 days after the date of the enactment of this Act.</p>	<p>`(A) bred and raised the dog or cat; or</p> <p>`(B) owned the dog or cat for not less than 1 year immediately preceding the donation;</p> <p>`(4) a research facility licensed by the Secretary; and</p> <p>`(5) a Federal research facility licensed by the Secretary.</p> <p>`(e) Penalties-</p> <p>`(1) IN GENERAL- A person that violates this section shall be fined \$1,000 for each violation.</p> <p>`(2) ADDITIONAL PENALTY- A penalty under this subsection shall be in addition to any other applicable penalty.</p> <p>`(f) No Required Sale or Donation- Nothing in this section requires a pound or shelter to sell, donate, or offer a dog or cat to a research facility or Federal research facility.</p> <p>`(g) Limitation- The Secretary shall phase out, by the date that is 5 years after the date of enactment of this subsection, the use of random source dogs and cats from class B dealers in accordance with a schedule established by the Secretary.'</p> <p>(c) Federal Research Facilities- Section 8 of the Animal Welfare Act (7 U.S.C. 2138) is amended--</p> <p>(1) by striking `SEC. 8. No department' and inserting the following:</p> <p>`SEC. 8. FEDERAL RESEARCH FACILITIES.</p> <p>`Except as provided in section 7, no department';</p> <p>(2) by striking `research or experimentation or'; and</p> <p>(3) by striking `such purposes' and inserting `that purpose'.</p> <p>(d) Certification- Section 28(b)(1) of the Animal Welfare Act (7 U.S.C. 2158(b)(1)) is amended by striking `individual or entity' and inserting `research facility or Federal research facility'.</p>
<p>No comparable provision</p>	<p>SEC. 11085. SENSE OF THE SENATE ON THE U.S. DEPARTMENT OF AGRICULTURE'S WILDLIFE SERVICES COMPETING AGAINST PRIVATE</p>

INDUSTRY FOR NUISANCE BIRD CONTROL WORK.

(a) FINDINGS- The Senate finds that:

(1) The Wildlife Services Division of the Animal and Plant Health Inspection Service of the Department of Agriculture (referred to in this section as 'Wildlife Services' helps agricultural producers manage nuisance wildlife problems;

(2) Wildlife Services personnel also manage nuisance wildlife in non-agricultural settings, including urban areas;

(3) Congress granted the Secretary the authority to engage in wildlife animal damage activities in the Act of March 2, 1931, and the Rural Development, Agriculture and Related Agencies Appropriations Act, 1988;

(4) Title I of the Rural Development, Agriculture and Related Agencies Appropriations Act, 1988 expressly prohibits the Secretary from performing 'urban rodent' control but does not define the term;

(5) There are more than 19,000 professional pest management companies in the United States, a significant percentage of which manage nuisance birds such as European starlings, house sparrows, and pigeons in urban areas;

(6) The industry employs more than 115,000 service personnel who perform over 60,000,000 services annually for residential and commercial clients in every market of the United States;

(7) In areas where the private sector has the capacity to provide nuisance wildlife services, the limited resources of Wildlife Services would be better used to assist agricultural producers with management of predators and other depredatory species that prey on livestock and sport and farm fish, and damage crops.

(b) SENSE OF THE SENATE- It is the Sense of the Senate that--

(1) Wildlife Services should neither compete nor condone competition with the private sector for business regarding the management of nuisance wildlife problems in urban areas where private sector services are available;

(2) Wildlife Services, prior to entering into any cooperative agreement for wildlife damage management activities, should inform cooperators of the availability of and their right to acquire services from private service providers;

(3) the Secretary of Agriculture should ensure that Wildlife Services does not aggressively compete with the private pest management industry for European starling,

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

house sparrow, and pigeon control work in urban areas where private sector services are available;

(4) the Secretary of Agriculture should rely on scientific and widely accepted definitions to define the term 'urban rodent,' as used in the Rural Development, Agriculture and Related Agencies Appropriations Act of 1988, in order to clarify the express restrictions in that law on Wildlife Services activities;

(5) the Secretary should direct Wildlife Services to work with private industry, through a Memorandum of Understanding, to delineate common areas of cooperation so that issues of competition are addressed, taking into account the interests of the wildlife resources and the need to manage damage caused by that resource.

No comparable provision

SEC. 11076. PROHIBITIONS ON DOG FIGHTING VENTURES.

(a) In General- Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended--

(1) in subsection (a)(1)--

(A) by striking 'any person to knowingly sponsor' and inserting 'any person--

'(A) to knowingly sponsor';

(B) by striking the period at the end and inserting '; or'; and

(C) by adding at the end the following:

'(B) to knowingly sponsor or exhibit an animal in a dog fighting venture.';

(2) in subsection (b)--

(A) by striking 'any person to knowingly sell' and inserting 'any person--

'(1) to knowingly sell';

(B) by striking the period at the end and inserting '; or'; and

(C) by adding at the end the following:

'(2) to knowingly sell, buy, possess, train, transport, deliver, or receive for purposes of transportation, any dog or other animal, for the purposes of having the dog or other animal, or offspring of the dog or other animal, participate in a dog fighting venture.';

(3) in the last sentence of subsection (f), by striking 'by the United States'; and

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(4) in subsection (g) --</p> <p>(A) in paragraph (5), by striking `and' at the end;</p> <p>(B) by redesignating paragraph (6) as paragraph (7); and</p> <p>(C) by inserting after paragraph (5) the following:</p> <p>`(6) the term `dog fighting venture'--</p> <p>`(A) means any event that--</p> <p>`(i) involves a fight between at least 2 animals;</p> <p>`(ii) includes at least 1 dog; and</p> <p>`(iii) is conducted for purposes of sport, wagering, or entertainment; and</p> <p>`(B) does not include any activity the primary purpose of which involves the use of 1 or more animals to hunt another animal; and'.</p> <p>(b) Enforcement of Animal Fighting Prohibitions- Section 49 of title 18, United States Code, is amended to read as follows:</p> <p>`Sec. 49. Enforcement of animal fighting prohibitions</p> <p>`(a) Animal Fighting Ventures- Whoever violates subsection (a)(1)(A), (b)(1), (c), or (e) of section 26 of the Animal Welfare Act (7 U.S.C. 2156) shall be fined under this title, imprisoned for not more than 3 years, or both, for each violation.</p> <p>`(b) Dog Fighting Ventures- Whoever violates subsection (a)(1)(B) or (b)(2) of section 26 of the Animal Welfare Act shall be fined under this title, imprisoned for not more than 5 years, or both, for each violation.'</p>
<p>No comparable provision.</p>	<p>Subtitle C--DOMESTIC PET TURTLE MARKET ACCESS</p> <p>SEC. 11101. SHORT TITLE.</p> <p>This title may be cited as the `Domestic Pet Turtle Equality Act'.</p> <p>SEC. 11102. FINDINGS.</p> <p>Congress makes the following findings:</p> <p>(1) Pet turtles less than 10.2 centimeters in diameter have been banned for sale in</p>

the United States by the Food and Drug Administration since 1975 due to health concerns.

(2) The Food and Drug Administration does not ban the sale of iguanas or other lizards, snakes, frogs, or other amphibians or reptiles that are sold as pets in the United States that carry salmonella bacteria. The Food and Drug Administration also does not require that these animals be treated for salmonella bacteria before being sold as pets.

(3) The technology to treat turtles for salmonella, and make them safe for sale, has greatly advanced since 1975. Treatments exist that can eradicate salmonella from turtles up until the point of sale, and individuals are more aware of the causes of salmonella, how to treat salmonella poisoning, and the seriousness associated with salmonella poisoning.

(4) University research has shown that these turtles can be treated in such a way that they can be raised, shipped, and distributed without having a recolonization of salmonella.

(5) University research has also shown that pet owners can be equipped with a treatment regimen that allows the turtle to be maintained safe from salmonella.

(6) The Food and Drug Administration and the Department of Agriculture should allow the sale of turtles less than 10.2 centimeters in diameter as pets as long as the sellers are required to use proven methods to treat these turtles for salmonella.

SEC. 11103. REVIEW, REPORT, AND ACTION ON THE SALE OF BABY TURTLES.

(a) Pet Turtle- In this section, the term `pet turtle' means a turtle that is less than 10.2 centimeters in diameter.

(b) Prevalence of Salmonella- Not later than 60 days after the date of enactment of this title, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall determine the prevalence of salmonella in each species of reptile and amphibian sold legally as a pet in the United States in order to determine whether the prevalence of salmonella in reptiles and amphibians sold legally as pets in the United States on average is not more than 10 percent less than the percentage of salmonella in pet turtles.

(c) Action if Prevalence Is Similar- If the prevalence of salmonella in reptiles and amphibians sold legally as pets in the United States on average is not more than 10 percent less than the percentage of salmonella in pet turtles--

	<p>(1) the Secretary of Agriculture shall--</p> <p>(A) conduct a study to determine how pet turtles can be sold safely as pets in the United States and provide recommendations to Congress not later than 150 days after the date of such determination;</p> <p>(B) in conducting such study, consult with all relevant stakeholders, such as the Centers for Disease Control and Prevention, the turtle farming industry, academia, and the American Academy of Pediatrics; and</p> <p>(C) examine the safety measures taken to protect individuals from salmonella-related dangers involved with reptiles and amphibians sold legally in the United States that contain a similar or greater presence of salmonella than that of pet turtles; and</p> <p>(2) the Secretary of Agriculture--</p> <p>(A) may not prohibit the sale of pet turtles in the United States; or</p> <p>(B) shall prohibit the sale in the United States of any reptile or amphibian that contains a similar or greater prevalence of salmonella than that of pet turtles</p>
	<p>SEC. 3205. IMPORTATION OF LIVE DOGS.</p> <p>(a) In General- The Animal Welfare Act is amended by adding after section 17 (7 U.S.C. 2147) the following:</p> <p>SEC. 18. IMPORTATION OF LIVE DOGS.</p> <p>(a) Definitions- In this section:</p> <p>(1) IMPORTER- The term 'importer' means any person who, for purposes of resale, transports into the United States puppies from a foreign country.</p> <p>(2) RESALE- The term 'resale' includes any transfer of ownership or control of an imported dog of less than 6 months of age to another person, for more than de minimis consideration.</p> <p>(b) Requirements-</p> <p>(1) IN GENERAL- Except as provided in paragraph (2), no person shall import a dog into the United States for purposes of resale unless, as determined by the Secretary, the dog--</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

`(A) is in good health;
 `(B) has received all necessary vaccinations; and
 `(C) is at least 6 months of age, if imported for resale.
 `(2) EXCEPTION- The Secretary, by regulation, shall provide an exception to any requirement under paragraph (1) in any case in which a dog is imported for--
 `(A) research purposes; or
 `(B) veterinary treatment.
 `(c) Implementation and Regulations- The Secretary, the Secretary of Health and Human Services, the Secretary of Commerce, and the Secretary of Homeland Security shall promulgate such regulations as the Secretaries determine to be necessary to implement and enforce this section.
 `(d) Enforcement- An importer that fails to comply with this section shall--
 `(1) be subject to penalties under section 19; and
 `(2) provide for the care (including appropriate veterinary care), forfeiture, and adoption of each applicable dog, at the expense of the importer.'
 (b) Effective Date- The amendment made by subsection (a) takes effect on the date of enactment of this Act.

Subtitle C of the House Bill—Socially Disadvantaged Producers and Limited Resource Producers

Producers

SEC. 11201. OUTREACH AND TECHNICAL ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND LIMITED RESOURCE FARMERS AND RANCHERS.

Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) in subsection (a)—

(A) by striking paragraph (2) and inserting the following new paragraph:

SEC. 11052. OUTREACH AND TECHNICAL ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.

(a) In General- Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)) is amended--

(1) in subsection (a)--

(A) by striking paragraph (2) and inserting the following:

`(2) REQUIREMENTS- The outreach and technical assistance program under paragraph (1) shall be used exclusively--

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

“(2) **REQUIREMENTS.**—The outreach and technical assistance program under paragraph (1) shall be used—

“(A) to enhance coordination of the outreach, technical assistance, and education efforts authorized under agriculture programs; and

“(B) to assist the Secretary in—

“(i) reaching socially disadvantaged or limited resource farmers and ranchers and prospective socially disadvantaged or limited resource farmers and ranchers in an appropriate manner; and

“(ii) improving the participation of those farmers and ranchers in Department programs, as determined under section 2501A.”;

(B) in paragraph (3)—

(i) in subparagraph (A), by striking “entity to provide information” and inserting “entity that has demonstrated an ability to carry out the requirements described in paragraph (2) to provide outreach”; and

(ii) by adding at the end the following new subparagraphs:

“(D) **ADDITIONAL CONTRACTING AUTHORITY.**—Any agency of the Department of Agriculture may make grants and enter into contracts and cooperative agreements with a community-based organization that meets the definition of an eligible entity under subsection (e) in order to utilize the community-based organization to provide outreach and technical assistance.

“(E) **REPORT.**—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and make publicly available, an annual report that includes a list of the following:

“(i) The recipients of funds made available under the program.

“(ii) The activities undertaken and services provided.

“(iii) The number of producers served and outcomes of such service.

“(iv) The problems and barriers identified by entities in trying to increase participation by socially disadvantaged farmers and ranchers.”; and

(C) in paragraph (4)—

`(A) to enhance coordination of the outreach, technical assistance, and education efforts authorized under agriculture programs; and

`(B) to assist the Secretary in--

`(i) reaching socially disadvantaged farmers and ranchers and prospective socially disadvantaged farmers and ranchers in a culturally and linguistically appropriate manner; and

`(ii) improving the participation of those farmers and ranchers in Department programs, as determined under section 2501A.';

(B) in paragraph (3)--

(i) in subparagraph (A), by striking `entity to provide information' and inserting `entity that has demonstrated an ability to carry out the requirements described in paragraph (2) to provide outreach'; and

(ii) by adding at the end the following:

`(D) **RENEWAL OF CONTRACTS-** The Secretary may provide for renewal of a grant, contract, or other agreement under this section with an eligible entity that--

`(i) has previously received funding under this section;

`(ii) has demonstrated an ability to carry out the requirements described in paragraph (2); and

`(iii) demonstrates to the satisfaction of the Secretary that the entity will continue to fulfill the purposes of this section.

`(E) **REVIEW OF PROPOSALS-** Notwithstanding subparagraph (D), the Secretary shall promulgate a regulation to establish criteria for the review process for grants and cooperative agreements (including multiyear grants), which shall include a review eligible entities on an individual basis.

`(F) **REPORT-** The Secretary shall submit to Congress, and make publically available, an annual report that describes--

`(i) the accomplishments of the program under this section; and

`(ii) any gaps or problems in service delivery as reported by grantees.'; and

(C) in paragraph (4)--

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(i) by striking subparagraph (A), and inserting the following new subparagraph:

“(A) **AVAILABILITY OF FUNDS.**—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$15,000,000 for each of the fiscal years 2008 through 2012 to carry out this subsection.”;

(ii) in subparagraph (B), by striking “authorized to be appropriated under subparagraph (A)” and inserting “made available under subparagraph (A)”;

(iii) by adding at the end the following new subparagraph:

“(C) **LIMITATION ON USE OF FUNDS FOR ADMINISTRATIVE EXPENSES.**—Not more than 5 percent of the amounts made available under subparagraph (A) for a fiscal year may be used for expenses related to administering the program under this section.”; and

(2) in subsection (e)(5)(A)(ii)—

(A) by inserting “and on behalf of” before “socially”; and

(B) by striking “2-year” and inserting “3-year”.

(i) by striking subparagraph (A), and inserting the following:

“(A) **AUTHORIZATION OF APPROPRIATIONS-** There is authorized to be appropriated to carry out this subsection \$50,000,000 for each of fiscal years 2008 through 2012.”; and

(ii) by adding at the end the following:

“(C) **LIMITATION ON USE OF FUNDS FOR ADMINISTRATIVE EXPENSES-** Not more than 5 percent of the amounts made available under this paragraph for a fiscal year may be used for expenses related to administering the program under this section.”; and

(2) in subsection (e)(5)(A)--

(A) in clause (i), by striking “has demonstrated experience in” and inserting “has a reputation for, and has demonstrated experience in,”; and

(B) in clause (ii)--

(i) by inserting “and on behalf of” before “socially”; and

(ii) by striking “2-year” and inserting “3-year”.

(b) **Coordination With Outreach-**

(1) **IN GENERAL-** Not later than 18 months after the date of enactment of this Act, the Secretary shall develop a plan to join and relocate--

(A) the outreach and technical assistance program established under section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279); and

(B) the Office of Outreach of the Department of Agriculture.

(2) **CONSULTATION-** In preparing the plan under paragraph (1), the Secretary shall, in consultation with eligible entities under section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279)--

(A) decide the most appropriate permanent location for the programs described in paragraph (1); and

(B) locate both programs together at that location.

(3) **REPORT-** After the relocation described in this subsection is completed, the Secretary shall submit to Congress a report that includes information describing the new

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

location of the programs.

SEC. 11202. IMPROVED PROGRAM DELIVERY BY DEPARTMENT OF AGRICULTURE ON INDIAN RESERVATIONS.

Section 2501(g)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(g)(1)) is amended—

(1) in the first sentence, by striking “where there is a demonstrated demand for service” after “offices”; and

(2) by striking the second sentence.

SEC. 11054. IMPROVED PROGRAM DELIVERY BY THE DEPARTMENT OF AGRICULTURE ON INDIAN RESERVATIONS.

Section 2501(g)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(g)(1)) is amended by striking the second sentence.

SEC. 11203. TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.

Section 2501A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279–1) is amended by striking subsection (c) and inserting the following new subsections:

“(c) COMPILATION OF PROGRAM PARTICIPATION DATA.—

“(1) ANNUAL REQUIREMENT.—For each county and State in the United States, the Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall annually compile program application and participation rate data regarding socially disadvantaged farmers and ranchers by computing for each program of the Department of Agriculture that serves agricultural producers and landowners—

“(A) raw numbers of applicants and participants by race, ethnicity, and gender, subject to appropriate privacy protections, as determined by the Secretary; and

“(B) the application and participation rate, by race, ethnicity, and gender, as a percentage of the total participation rate of all agricultural producers and landowners.

“(2) AUTHORITY TO COLLECT DATA.—The heads of the agencies of the Department of Agriculture shall collect and transmit to the Secretary any data, including data on race, gender, and ethnicity, that the Secretary determines to be necessary to carry out paragraph (1).

“(3) REPORT.—Using the technologies and systems of the National Agricultural Statistics Service, the Secretary shall compile and present the data compiled under

SEC. 11056. IMPROVED DATA REQUIREMENTS.

Section 2501A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279-1) is amended by striking subsection (c) and inserting the following:

`(c) Compilation of Program Participation Data-

`(1) ANNUAL REQUIREMENT- For each county and State in the United States, the Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall annually compile program application and participation rate data regarding socially disadvantaged farmers and ranchers by computing for each program of the Department of Agriculture that serves agricultural producers or landowners--

`(A) raw numbers of applicants and participants by race, ethnicity, and gender, subject to appropriate privacy protections, as determined by the Secretary; and

`(B) the application and participation rate, by race, ethnicity, and gender, as a percentage of the total participation rate of all agricultural producers and landowners.

`(2) AUTHORITY TO COLLECT DATA- The heads of the agencies of the Department of Agriculture shall collect and transmit to the Secretary any data, including data on race, gender, and ethnicity, that the Secretary determines to be necessary to carry out paragraph (1).

`(3) REPORT- Using the technologies and systems of the National Agricultural Statistics Service, the Secretary shall compile and present the data required under paragraph (1) for each program described in that paragraph in a manner that includes the raw numbers and participation rates for--

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

paragraph (1) for each program described in that paragraph in a manner that includes the raw numbers and participation rates for—

“(A) the entire United States;

“(B) each State; and

“(C) each county in each State.

“(4) **PUBLIC AVAILABILITY OF REPORT.**—The Secretary shall maintain and make readily available to the public, via website and otherwise in electronic and paper form, the report described in paragraph (3).

“(d) **LIMITATIONS ON USE OF DATA.**—

“(1) **PRIVACY PROTECTIONS.**—In carrying out this section, the Secretary shall not disclose the names or individual data of any program participant.

“(2) **AUTHORIZED USES.**—The data under this section shall be used exclusively for the purposes described in subsection (a).

“(3) **LIMITATION.**—Except as otherwise provided, the data under this section shall not be used for the evaluation of individual applications for assistance.”.

`(A) the entire United States;

`(B) each State; and

`(C) each county in each State.

`(d) **Limitations on Use of Data-**

`(1) **IN GENERAL-** In carrying out this section, the Secretary shall not disclose the names or individual data of any program participant.

`(2) **AUTHORIZED USES-** The data under this section shall be used exclusively for the purposes described in subsection (a).

`(3) **LIMITATION-** Except as otherwise provided, the data under this section shall not be used for the evaluation of individual applications for assistance.’.

SEC. 11204. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.

Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is amended by striking subsection (h) and inserting the following new subsection:

“(h) **AVAILABILITY OF FUNDS.**—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$15,000,000 for each of the fiscal years 2008 through 2012 to carry out this section.”.

SEC. 7309. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.

(a) Grants- Section 7405(c) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(c)) is amended--

(1) in paragraph (1)--

(A) in subparagraph (I), by inserting `, including energy conservation and efficiency' after `assistance'; and

(B) in subparagraph (K), by inserting `, including transition to organic and other source-verified and value-added alternative production and marketing systems' after `strategies';

(2) by striking paragraph (3) and inserting the following:

`(3) **MAXIMUM TERM AND SIZE OF GRANT-**

`(A) **IN GENERAL-** A grant under this subsection shall--

`(i) have a term that is not more than 3 years; and

`(ii) be in an amount that is not more than \$250,000 a year.

`(B) CONSECUTIVE GRANTS- An eligible recipient may receive consecutive grants under this subsection.';

(3) by redesignating paragraphs (5) through (7) as paragraphs (9) through (11), respectively;

(4) by inserting after paragraph (4) the following:

`(5) EVALUATION CRITERIA- In making grants under this subsection, the Secretary shall evaluate--

`(A) relevancy;

`(B) technical merit;

`(C) achievability;

`(D) the expertise and track record of 1 or more applicants;

`(E) the adequacy of plans for the participatory evaluation process, outcome-based reporting, and the communication of findings and results beyond the immediate target audience; and

`(F) other appropriate factors, as determined by the Secretary.

`(6) REGIONAL BALANCE- In making grants under this subsection, the Secretary shall, to the maximum extent practicable, ensure geographic diversity.

`(7) ORGANIC CONVERSION- The Secretary may make grants under this subsection to support projects that provide comprehensive technical assistance to beginning farmers or ranchers who are in the process of converting to certified organic production.

`(8) PRIORITY- In making grants under this subsection, the Secretary shall give priority to partnerships and collaborations that are led by or include non-governmental and community-based organizations with expertise in new farmer training and outreach.'; and

(5) in paragraph (9) (as redesignated by paragraph (3))--

(A) in subparagraph (B), by striking `and' at the end;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(B) in subparagraph (C), by striking the period and adding `; and'; and</p> <p>(C) by adding at the end the following:</p> <p>`(D) refugee or immigrant beginning farmers or ranchers'.</p> <p>(b) Education Teams- Section 7405(d)(2) of the Farm Security and Rural Investment At of 2002 (7 U.S.C. 3319f(d)(2)) is amended by inserting `, including sustainable and organic farming production and marketing methods' before the period at the end.</p> <p>(c) Stakeholder Input- Section 7405(f) of the Farm Security and Rural Investment At of 2002 (7 U.S.C. 3319f(f)) is amended--</p> <p>(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively, and indenting appropriately;</p> <p>(2) by striking `In carrying out' and inserting the following:</p> <p>`(1) IN GENERAL- In carrying out'; and</p> <p>(3) by adding at the end the following:</p> <p>`(2) REVIEW PANELS- In forming review panels to evaluate proposals submitted under this section, the Secretary shall include individuals from the categories described in paragraph (1).'</p> <p>(d) Funding- Section 7405 of the Farm Security and Rural Investment At of 2002 (7 U.S.C. 3319f) is amended by striking subsection (h) and inserting the following:</p> <p>`(h) Authorization of Appropriations- There is authorized to be appropriated to carry out this section \$30,000,000 for each of fiscal years 2002 through 2012.'</p>
<p>SEC. 11205. PROVISION OF RECEIPT FOR SERVICE OR DENIAL OF SERVICE.</p> <p>In any case in which a producer or landowner, or prospective producer or landowner, requests from the Department of Agriculture any benefit or service offered by the Department to agricultural producers or landowners, the Secretary of Agriculture shall provide for the issuance, on the date on which the producer or landowner, or prospective producer or landowner, makes the request, a receipt containing—</p> <p>(1) the date, place, and subject of the request; and</p>	<p>SEC. 11057. RECEIPT FOR SERVICE OR DENIAL OF SERVICE.</p> <p>Section 2501A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279-1) (as amended by section 11056) is amended by adding at the end the following:</p> <p>`(e) Receipt for Service or Denial of Service- In any case in which a farmer or rancher, or a prospective farmer or rancher, in person or in writing, requests from the Farm Service Agency or the Natural Resources Conservation Service of the Department of Agriculture any benefit or service offered by the Department to agricultural producers or landowners, and at the time of the request requests a receipt, the Secretary of</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>(2) the action taken, not taken, or recommendations made in response to the request.</p>	<p>Agriculture shall issue, on the date of the request, a receipt to the farmer or rancher, or prospective farmer or rancher, that contains--</p> <ul style="list-style-type: none"> `(1) the date, place, and subject of the request; and `(2) the action taken, not taken, or recommended to the farmer or rancher or prospective farmer or rancher.'
<p>SEC. 11206. TRACKING OF SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND LIMITED RESOURCE FARMERS AND RANCHERS IN CENSUS OF AGRICULTURE AND CERTAIN STUDIES.</p> <p>The Secretary of Agriculture shall ensure, to the maximum extent practicable, that the Census of Agriculture and studies carried out by the Economic Research Service accurately document the number, location, and economic contributions of socially disadvantaged farmers and ranchers and limited resource farmers and ranchers in agricultural production.</p>	<p>SEC. 11055. ACCURATE DOCUMENTATION IN THE CENSUS OF AGRICULTURE AND CERTAIN STUDIES.</p> <p>Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended by adding at the end the following:</p> <ul style="list-style-type: none"> `(h) Accurate Documentation- The Secretary shall ensure, to the maximum extent practicable, that the Census of Agriculture and studies carried out by the Economic Research Service accurately document the number, location, and economic contributions of socially disadvantaged farmers and ranchers in agricultural production.'
<p>SEC. 11207. FARMWORKER COORDINATOR.</p> <p>(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish the position of Farmworker Coordinator (in this section referred to as the “Coordinator”), which shall be located in the Office of Outreach of the Department of Agriculture.</p> <p>(b) DUTIES.—The Secretary may delegate to the Coordinator responsibility for any or all of the following:</p> <ul style="list-style-type: none"> (1) Assisting in administering the program established by section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a). (2) Serving as a liaison to community-based non-profit organizations that represent, and have demonstrated experience serving, low-income migrant and seasonal farmworkers. (3) Coordinating with the Department of Agriculture and State and local governments to assure that farmworker needs are assessed and met during declared disasters and other emergencies. (4) Consulting with the Office of Small Farm Coordination, Office of Outreach, Outreach Coordinators, and other entities to better integrate farmworker perspectives, 	<p>SEC. 11059. FARMWORKER COORDINATOR.</p> <p>(a) In General- Subtitle B of title II of the Department of Agriculture Reorganization Act of 1994 is amended by inserting after section 226A (7 U.S.C. 6933) the following:</p> <p>`SEC. 226B. FARMWORKER COORDINATOR.</p> <ul style="list-style-type: none"> `(a) Establishment- The Secretary shall establish within the Department the position of Farmworker Coordinator (referred to in this section as the `Coordinator'). `(b) Duties- The Secretary shall delegate to the Coordinator responsibility for-- <ul style="list-style-type: none"> `(1) assisting in administering the program established by section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a); `(2) serving as a liaison to community-based nonprofit organizations that represent and have demonstrated experience serving low-income migrant and seasonal farmworkers; `(3) coordinating with the Department, other Federal agencies, and State and local governments to ensure that farmworker needs are assessed and met during declared disasters and other emergencies;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

concerns, and interests into the ongoing programs of the Department.

(5) Consulting with Hispanic-serving institutions on research, program improvements, or agricultural education opportunities that assist low-income and migrant seasonal farmworkers.

(6) Assuring that farmworkers have access to services and support to enter agriculture as producers.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary such sums as necessary to carry out this section for fiscal years 2008 through 2012.

(4) consulting with the Office of Small Farm Coordination, Office of Outreach, Outreach Coordinators, and other entities to better integrate farmworker perspectives, concerns, and interests into the ongoing programs of the Department;

(5) consulting with appropriate institutions on research, program improvements, or agricultural education opportunities that assist low-income and migrant seasonal farmworkers; and

(6) ensuring that farmworkers have access to services and support to enter agriculture as producers.

(c) Authorization of Appropriations- There are authorized to be appropriated such sums as are necessary to carry out this section.'

(b) Conforming Amendment- Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) (as amended by section 7401(c)(1)) is amended by adding at the end the following:

(7) the authority of the Secretary to establish in the Department a position of Farmworker Coordinator in accordance with section 226B.'

SEC. 11208. OFFICE OF OUTREACH RELOCATION.

(a) **RELOCATION PROPOSAL.**—Not more than 18 months after the date of enactment of the Act, the Secretary shall develop a proposal to relocate the Office of Outreach of the Department of Agriculture.

(b) **ADMINISTRATION.**—The Office of Outreach shall be responsible for the administration of—

(1) the outreach and technical assistance program established under section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279);

(2) the beginning farmer and rancher development program established under section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f); and

(3) the coordination of the outreach activities among the various agencies within the Department.

(c) **REPORT.**—After the relocation described in this section is completed, the Secretary shall submit to Congress a report that includes information describing the new

No comparable provision

<p>location of the program.</p>	
<p>SEC. 11209. MINORITY FARMER ADVISORY COMMITTEE.</p> <p>(a) ESTABLISHMENT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Agriculture shall establish an advisory committee, to be known as the “Advisory Committee on Minority Farmers” (in this section referred to as the “Committee”), which shall be overseen by the Office of Outreach of the Department of Agriculture.</p> <p>(b) DUTIES.—The Committee shall—</p> <ol style="list-style-type: none"> (1) review all civil rights cases to ensure that they are processed in a timely manner; (2) ensure that the processing of civil rights cases complies with applicable laws; (3) report quarterly to the Secretary of Agriculture on civil rights enforcement and outreach; (4) monitor and annually report to Congress on compliance with all civil rights and related laws by all agencies and under all programs of the Department; (5) recommend to the Secretary corrective actions to prevent civil rights violations; (6) review the operations of the outreach and technical assistance program established under section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279); and (7) review ongoing efforts toward outreach in the agencies and programs of the Department. <p>(c) MEMBERSHIP OF COMMITTEE.—The Committee shall be composed of the following:</p> <ol style="list-style-type: none"> (1) Three members appointed by the Secretary. (2) Two members appointed by the chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate, in consultation with the ranking member of the Committee. (3) Two members appointed by the chairman of the Committee on Agriculture of the House of Representatives, in consultation with the ranking member of the Committee. 	<p>No comparable provision</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>(4) A civil rights professional.</p> <p>(5) A socially disadvantaged farmer or rancher.</p> <p>(6) Such other persons or professionals as determined by the Secretary to be appropriate.</p>	
<p>SEC. 11210. COORDINATOR FOR CHRONICALLY UNDERSERVED RURAL AREAS.</p> <p>(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a Coordinator for Chronically Underserved Rural Areas (in this section referred to as the “Coordinator”), to be located in the Office of Outreach of the Department of Agriculture.</p> <p>(b) MISSION.—The mission of the Coordinator shall be to direct Department of Agriculture resources to high need, high poverty rural areas.</p> <p>(c) DUTIES.—The Coordinator shall consult with other offices in directing technical assistance, strategic regional planning, at the State and local level, for developing rural economic development that leverages the resources of State and local governments and non-profit and community development organizations.</p> <p>(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as necessary to carry out this section for fiscal years 2008 through 2012.</p>	<p>No comparable provision</p>
<p>No comparable provision.</p>	<p>SEC. 11051. FORECLOSURE.</p> <p>(a) In General- Section 307 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927) is amended by adding at the end the following:</p> <p> `f) Moratorium-</p> <p> `1) IN GENERAL- Effective beginning on the date of enactment of this subsection, there shall be in effect a moratorium on all loan acceleration and foreclosure proceedings instituted by the Department of Agriculture against any farmer or rancher who--</p> <p> `A) has pending against the Department a claim of discrimination; or</p>

`(B) files a claim of discrimination against the Department.

`(2) **WAIVER OF INTEREST AND OFFSETS-** During the period of the moratorium, the Secretary shall waive the accrual of interest and offsets on all loans made under this subtitle for which loan acceleration or foreclosure proceedings have been instituted as described in paragraph (1).

`(3) **TERMINATION OF MORATORIUM-** The moratorium shall terminate with respect to a claim of discrimination by a farmer or rancher on the earlier of--

`(A) the date the Secretary resolves the claim; or

`(B) if the farmer or rancher appeals the decision of the Secretary on the claim to a court of competent jurisdiction, the date that the court renders a final decision on the claim.

`(4) **FAILURE TO PREVAIL-** If a farmer or rancher does not prevail on a claim of discrimination described in paragraph (1), the farmer or rancher shall be liable for any interest and offsets that accrued during the period that the loan was in abeyance.'

(b) **Foreclosure Report-**

(1) **IN GENERAL-** Not later than 1 year after the date of enactment of this Act, the Inspector General of the Department of Agriculture (referred to in this subsection as the 'Inspector General') shall determine whether decisions of the Department to implement foreclosure proceedings with respect to loans made under subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.) to socially disadvantaged farmers or ranchers during the 5-year period preceding the date of enactment of this Act were consistent and in conformity with the applicable laws (including regulations) governing loan foreclosures.

(2) **REPORT-** Not later than 1 year after the date of enactment of this Act, the Inspector General shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the determination of the Inspector General under paragraph (1).

SEC. 11053. ADDITIONAL CONTRACTING AUTHORITY.

Section 2501(a)(3) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)(3)) (as amended by section 11052(a)(1)(B)(ii)) is amended by adding at the end the following:

SEC. 11061. EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.

Section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a) is amended to read as follows:

SEC. 2281. EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.

(a) Definitions- In this section:

(1) ELIGIBLE ENTITY- The term 'eligible entity' means a public agency, community-based organization, or network of community-based organizations with tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, that has at least 5 years of demonstrated experience in representing and providing emergency services to low-income migrant or seasonal farmworkers.

(2) LOW-INCOME MIGRANT OR SEASONAL FARMWORKER- The term 'low-income migrant or seasonal farmworker' means an individual--

(A) who has, during any consecutive 12-month period within the preceding 24-month period, performed farm work for wages;

(B) who has received not less than 1/2 of the total income of the individual from, or been employed at least 1/2 of total work time in, farm work; and

(C) whose annual family income during the 12-month period described in paragraph (1) does not exceed the higher of, as determined by the Secretary--

(i) 185 percent of the most recent annual Federal Poverty Income Guidelines published by the Department of Health and Human Services; or

(ii) 70 percent of the lower living standard income level.

(3) SECRETARY- The term 'Secretary' means the Secretary of Agriculture.

(b) Grants Available- The Secretary may make grants to eligible entities if the Secretary determines that a local, State, or national emergency or disaster has caused low-income migrant or seasonal farmworkers--

(1) to lose income;

(2) to be unable to work; or

(3) to stay home or return home in anticipation of work shortages.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

`(c) Use of Funds- As a condition of receiving a grant under subsection (b), an eligible entity shall use the grant to provide emergency services to low-income migrant or seasonal farmworkers, with a focus on--

`(1) assistance that allows low-income migrant or seasonal farmworkers to meet or access other resources to meet short-term emergency family needs for food, clothing, employment, transportation, and housing;

`(2) assistance that allows low-income and migrant seasonal farmworkers to remain in a disaster area; and

`(3) such other priorities that the Secretary determines to be appropriate.

`(d) Disaster Fund-

`(1) IN GENERAL- The Secretary shall maintain a disaster fund of \$2,000,000 to be used for immediate assistance for events described in subsection (b).

`(2) FUNDING- There are authorized to be appropriated to the Secretary such sums as are necessary to maintain the disaster fund at \$2,000,000 for each of fiscal years 2008 through 2012.'

No comparable provision

SEC. 11058. NATIONAL APPEALS DIVISION.

Section 280 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7000) is amended--

(1) by striking `On the return' and inserting the following:

`(a) In General- On the return'; and

(2) by adding at the end the following:

`(b) Reports-

`(1) IN GENERAL- Not later than 180 days after the date of enactment of this subsection, and every 180 days thereafter, the head of each agency shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and publish on the website of the Department, a report that includes--

`(A) a description of all cases returned to the agency during the period covered by the report pursuant to a final determination of the Division;

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>`(B) the status of implementation of each final determination; and</p> <p>`(C) if the final determination has not been implemented--</p> <p>`(i) the reason that the final determination has not been implemented; and</p> <p>`(ii) the projected date of implementation of the final determination.</p> <p>`(2) UPDATES- Each month, the head of each agency shall publish on the website of the Department any updates to the reports submitted under paragraph (1).'</p>
<p>No comparable provision</p>	<p>SEC. 11064. OVERSIGHT AND COMPLIANCE.</p> <p>The Secretary, acting through the Assistant Secretary for Civil Rights of the Department of Agriculture, shall use the reports described in subsection (c) of section 2501A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279-1) (as amended by section 11056) in the conduct of oversight and evaluation of civil rights compliance.</p>
<p>No comparable provision</p>	<p>SEC. 11065. REPORT OF CIVIL RIGHTS COMPLAINTS, RESOLUTIONS, AND ACTIONS.</p> <p>Each year, the Secretary shall--</p> <p>(1) prepare a report that describes, for each agency of the Department of Agriculture--</p> <p>(A) the number of civil rights complaints filed that relate to the agency, including whether a complaint is a program complaint or an employment complaint;</p> <p>(B) the length of time the agency took to process each civil rights complaint;</p> <p>(C) the number of proceedings brought against the agency, including the number of complaints described in paragraph (1) that were resolved with a finding of discrimination; and</p> <p>(D) the number and type of personnel actions taken by the agency following resolution of civil rights complaints;</p> <p>(2) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the report;</p>

	<p>and</p> <p>(3) make the report available to the public by posting the report on the website of the Department.</p>
<p>No comparable provision</p>	<p>SEC. 11066. GRANTS TO IMPROVE SUPPLY, STABILITY, SAFETY, AND TRAINING OF AGRICULTURAL LABOR FORCE.</p> <p>(a) Definition of Eligible Entity- In this section, the term `eligible entity' means a nonprofit, community-based organization, or a consortium of nonprofit, community-based organizations, agricultural labor organizations, farmer or rancher cooperatives, and public entities, that has the capacity (including demonstrated experience in providing training, housing, or emergency services to migrant and seasonal farmworkers) to assist agricultural employers and farmworkers with improvements in the supply, stability, safety, and training of the agricultural labor force.</p> <p>(b) Grants-</p> <p>(1) IN GENERAL- The Secretary may provide grants to eligible entities for use in providing services to assist farmworkers in securing, retaining, upgrading, or returning from agricultural jobs.</p> <p>(2) ELIGIBLE SERVICES- The services referred to in paragraph (1) include--</p> <p>(A) agricultural upgrading and cross training;</p> <p>(B) the provision of agricultural labor market information;</p> <p>(C) transportation;</p> <p>(D) short-term housing, including housing for unaccompanied farmworkers and at migrant rest stops;</p> <p>(E) travelers' aid;</p> <p>(F) workplace literacy and assistance with English as a second language;</p> <p>(G) health and safety instruction, including ways of safeguarding the food supply of the United States; and</p> <p>(H) limited emergency and financial assistance, in cases in which the Secretary determines that a national, State, or local emergency or disaster has caused migrant or seasonal farmworkers to lose income or employment.</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(3) EMERGENCY ASSISTANCE- Any emergency services provided using funds from a grant in accordance with paragraph (2)(H)--

(A) shall be consistent with section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (as amended by section 11061);

(B) shall be focused on assistance to allow low-income farmworkers and their families to meet short-term needs for such food, clothing, employment, transportation, and housing as are necessary to regain employment or return home; and

(C) may include such other types of assistance as the Secretary determines to be appropriate.

(c) Authorization of Appropriations- There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

No comparable provision

SEC. 11088. OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.

(a) In General- Subtitle B of title II of the Department of Agriculture Reorganization Act of 1994 (as amended by section 11059(a)) is amended by inserting after section 226B the following:

SEC. 226C. OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.

(a) Establishment- Not less than 180 days after the date of enactment of this section, the Secretary shall establish and maintain within the executive operations of the Department an office, to be known as the 'Office of Small Farms and Beginning Farmers and Ranchers' (referred to in this section as the 'Office').

(b) Purposes- The purposes of the Office are--

(1) to ensure coordination across all agencies of the Department--

(A) to improve use of the programs and services of the Department; and

(B) to enhance the viability of small, beginning, and socially disadvantaged farmers and ranchers and others, as the Secretary determines to be necessary;

(2) to ensure small, beginning, and socially disadvantaged farmers and ranchers access to, and equitable participation in, commodity, credit, risk management and

disaster protection, conservation, marketing, nutrition, value-added, rural development, and other programs and services of the Department;

`(3) to ensure that the number and economic contributions of small, limited-resource, beginning, and socially disadvantaged farmers and ranchers are accurately reflected in the Census of Agriculture and in other reports; and

`(4) to assess and enhance the effectiveness of outreach and programs of the Department--

`(A) to reduce barriers to program participation;

`(B) to improve service provided through programs of the Department to small, beginning, and socially disadvantaged farmers and ranchers; and

`(C) by suggesting to the Secretary new initiatives and programs to better serve the needs of small, socially disadvantaged, and beginning farmers and ranchers.

`(c) Director-

`(1) IN GENERAL- The Office shall be headed by a Director.

`(2) ASSUMPTION OF DUTIES- Effective on the date of establishment of the Office under subsection (a), the Director shall assume the duties and personnel of the Director of Small Farms Coordination, as in existence on the day before the date of enactment of this section.

`(d) Duties- The Office shall--

`(1) in collaboration with such other agencies and offices of the Department as the Secretary determines to be necessary, develop and implement a plan to coordinate the activities established under Departmental Regulation 9700-1 (August 3, 2006), including activities of the Small and Beginning Farmers and Ranchers Council and services provided by the Department to small farms and beginning farmers and ranchers;

`(2) coordinate with the Office of Outreach to provide consultation, training, and liaison activities with eligible entities (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 7 U.S.C. 2279(e));

`(3) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms and of beginning farmers and ranchers;

`(4) establish cross-cutting and strategic departmental goals and objectives for small

farms and beginning farmers and ranchers and for each associated program;

`(5) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms and of beginning farmers and ranchers are represented;

`(6) measure outcomes of all small farm programs and beginning farmer and rancher programs and track progress made in achieving the goals of the programs;

`(7) supervise data collection by agencies and offices of the Department regarding characteristics of small farms and beginning farmers and ranchers to ensure that the goals and objectives, and measures carried out to achieve those goals and objectives, can be measured and evaluated; and

`(8) carry out any other related duties that the Secretary determines to be appropriate.

`(e) Outreach- The Office shall establish and maintain an Internet website--

`(1) to share information with interested producers; and

`(2) to collect and respond to comments from small and beginning farmers and ranchers, including comments of the Small and Beginning Farmers and Ranchers Council.

`(f) Resources- Using funds made available to the Secretary in appropriations Acts, the Secretary shall provide to the Office such human and capital resources as are sufficient to allow the Office to carry out the duties of the Office under this section in a timely and efficient manner.

`(g) Annual Report- The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate annual reports that describe actions taken by the Office during the preceding calendar year to advance the interests of small farms and beginning farmers and ranchers.'

(b) Conforming Amendment- Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended--

(1) in paragraph (6) (as added by section 7401(c)(1)), by striking `or' at the end;

(2) in paragraph (7) (as added by section 11059(b)), by striking the period at the end and inserting `; or'; and

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>(3) by adding at the end the following:</p> <p>“(8) the authority of the Secretary to establish in the Department the Office of Small Farms and Beginning Farmers and Ranchers in accordance with section 226C.’.</p>
<p>Subtitle D of the House Bill - Other Miscellaneous Provisions</p>	
<p>SEC. 11301. DESIGNATION OF SEPARATE COTTON-PRODUCING STATES UNDER COTTON RESEARCH AND PROMOTION ACT.</p> <p>Section 17(f) of the Cotton Research and Promotion Act (7 U.S.C. 2116(f)) is amended by adding at the end the following new sentence: ‘Notwithstanding the preceding sentence, effective beginning with the 2008 crop of cotton, the States of Kansas, Virginia, and Florida shall each be deemed to be a separate cotton-producing State for the purposes of this Act.’.</p>	<p>SEC. 1713. DESIGNATION OF STATES FOR COTTON RESEARCH AND PROMOTION.</p> <p>Section 17(f) of the Cotton Research and Promotion Act (7 U.S.C. 2116(f)) is amended--</p> <p>(1) by striking ‘(f) The term’ and inserting the following:</p> <p>‘(f) Cotton-Producing State-</p> <p>‘(1) IN GENERAL- The term’;</p> <p>(2) by striking ‘more, and the term’ and all that follows through the end of the subsection and inserting the following: ‘more.</p> <p>‘(2) INCLUSIONS- The term ‘cotton-producing State’ includes--</p> <p>‘(A) any combination of States described in paragraph (1); and</p> <p>‘(B) effective beginning with the 2008 crop of cotton, the States of Kansas, Virginia, and Florida.’.</p>
<p>SEC. 11302. COTTON CLASSIFICATION SERVICES.</p> <p>(a) Extension- The first sentence of section 3a of the Act of March 3, 1927 (commonly known as the Cotton Statistics and Estimates Act; 7 U.S.C. 473a), is amended by striking ‘2007’ and inserting ‘2012’.</p> <p>(b) Establishment of Offices- The second sentence of section 3a of the Act of March 3, 1927, is amended in the proviso--</p> <p>(1) by striking ‘and’ at the end of clause (6);</p> <p>(2) by striking the period at the end of clause (7) and inserting ‘; and’; and</p>	<p>SEC. 1712. COTTON CLASSIFICATION SERVICES.</p> <p><i>Section 3a of the Act of March 3, 1927 (7 U.S.C. 473a), is amended to read as follows:</i></p> <p>‘SEC. 3a. COTTON CLASSIFICATION SERVICES.</p> <p>‘(a) In General- The Secretary of Agriculture (referred to in this section as the ‘Secretary’) shall--</p> <p>‘(1) make cotton classification services available to producers of cotton; and</p> <p>‘(2) provide for the collection of classification fees from participating producers or agents that voluntarily agree to collect and remit the fees on behalf of producers.</p> <p>‘(b) Use of Fees- Classification fees collected under subsection (a)(2) and the</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(3) by adding at the end the following new clause: `(8) the Secretary may enter into long-term lease agreements that exceed five years or may take title to property, including through purchase agreements, for the purposes of obtaining offices to be used for the classification of cotton in accordance with this Act if the Secretary determines such action would best effectuate the purposes of this Act.'.

proceeds from the sales of samples submitted under this section shall, to the maximum extent practicable, be used to pay the cost of the services provided under this section, including administrative and supervisory costs.

`(c) Consultation-

`(1) IN GENERAL- In establishing the amount of fees under this section, the Secretary shall consult with representatives of the United States cotton industry.

`(2) EXEMPTION- The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultations with representatives of the United States cotton industry under this section.

`(d) Crediting of Fees- Any fees collected under this section and under section 3d, late payment penalties, the proceeds from the sales of samples, and interest earned from the investment of such funds shall--

`(1) be credited to the current appropriation account that incurs the cost of services provided under this section and section 3d; and

`(2) remain available without fiscal year limitation to pay the expenses of the Secretary in providing those services.

`(e) Investment of Funds- Funds described in subsection (d) may be invested--

`(1) by the Secretary in insured or fully collateralized, interest-bearing accounts; or

`(2) at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments.

`(f) Lease Agreements- Notwithstanding any other provision of law, the Secretary may enter into long-term lease agreements that exceed 5 years or may take title to property (including through purchase agreements) for the purpose of obtaining offices to be used for the classification of cotton in accordance with this Act, if the Secretary determines that action would best effectuate the purposes of this Act.

`(g) Authorization of Appropriations- To the extent that financing is not available from fees and the proceeds from the sales of samples, there are authorized to be appropriated such sums as are necessary to carry out this section.'.

SEC. 11303. AVAILABILITY OF EXCESS AND SURPLUS COMPUTERS IN RURAL AREAS.

No comparable provision

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>The Secretary of Agriculture may make available to any city or town located in a rural area (as defined in section 343(a)(13)(A) of the Consolidated Farm and Rural Development Act) excess or surplus computers or other technical equipment of the Department of Agriculture.</p>	
<p>SEC. 11304. PERMANENT DEBARMENT FROM PARTICIPATION IN DEPARTMENT OF AGRICULTURE PROGRAMS FOR FRAUD.</p> <p>The Secretary of Agriculture is hereby granted the authority to permanently debar an individual, organization, corporation, or other entity convicted of knowingly defrauding the United States in connection with any program administered by the Department of Agriculture from any subsequent participation in Department of Agriculture programs.</p>	<p>No comparable provision</p>
<p>SEC. 11305. NO DISCRIMINATION AGAINST USE OF REGISTERED PESTICIDE PRODUCTS OR CLASSES OF PESTICIDE PRODUCTS.</p> <p>In establishing priorities and evaluation criteria for the approval of plans, contracts, and agreements under title II, the Secretary of Agriculture shall not discriminate against the use of specific registered pesticide products or classes of pesticide products.</p>	<p>No comparable provision</p>
<p>SEC. 11306. PROHIBITION ON CLOSURE OR RELOCATION OF COUNTY OFFICES FOR THE FARM SERVICE AGENCY, RURAL DEVELOPMENT AGENCY, AND NATURAL RESOURCES CONSERVATION SERVICE.</p> <p>Until the date that is one year after the date of the enactment of this Act, the Secretary of Agriculture may not close or relocate a county or field office of the Farm Service Agency, Rural Development Agency, or Natural Resources Conservation Service of the Department of Agriculture.</p>	<p>SEC. 11071. CLOSURE OF CERTAIN COUNTY FSA OFFICES.</p> <p>(a) Definition of Critical Access County FSA Office-</p> <p>(1) IN GENERAL- In this section, the term `critical access county FSA office' means an office of the Farm Service Agency that, during the period described in paragraph (2), is--</p> <p style="padding-left: 20px;">(A) proposed to be closed;</p> <p style="padding-left: 20px;">(B) proposed to be closed with the closure delayed until after January 1, 2008, due to additional review pursuant to the third proviso of matter under the heading `SALARIES AND EXPENSES' under the heading `Farm Service Agency' of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006 (Public Law 109-97; 119 Stat. 2131); or</p> <p style="padding-left: 20px;">(C) included on a list of critical access county FSA offices determined in accordance</p>

with that Act and submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate by the Secretary on October 24, 2007.

(2) DESCRIPTION OF PERIOD- The period referred to in paragraph (1) is the period beginning on November 10, 2005, and ending on December 31, 2007.

(3) EXCEPTION- The term `critical access county FSA office' does not include any office of the Farm Service Agency that--

(A) is located not more than 20 miles from another office of the Farm Service Agency; or

(B) employs no full-time equivalent employees as of the date of enactment of this Act.

(b) Extension of Period of Operation-

(1) IN GENERAL- Notwithstanding any other provision of law, except as provided in paragraph (3), none of the funds made available to the Secretary by any Act may be used to pay the salaries or expenses of any officer or employee of the Department of Agriculture to close any critical access county FSA office during the period beginning on date of enactment and ending on September 30, 2012.

(2) NUMBER OF EMPLOYEES-

(A) IN GENERAL- Subject to subparagraphs (B) and (C), the Secretary shall ensure that each critical access county FSA office in each State maintains a staff level of not less than 3 full-time equivalent employees during the period described in paragraph (1).

(B) STAFFING FLEXIBILITY- Notwithstanding subparagraph (A) and subject to subparagraph (C), an employee required to meet the staff level of a critical access county FSA office in a State as described in subparagraph (A) may be employed at any other county office of the Farm Service Agency in that State, as the Secretary determines to be appropriate.

(C) MINIMUM STAFFING LEVEL- A critical access county FSA office shall be staffed by not less than 1 full-time equivalent employee during the period described in paragraph (1).

(3) EXCEPTION- The Secretary may close a critical access county FSA office only on concurrence in the determination to close the critical access county FSA office by--

(A) Congress; and

(B) the applicable State Farm Service Agency committee.

SEC. 11307. REGULATION OF EXPORTS OF PLANTS, PLANT PRODUCTS, BIOLOGICAL CONTROL ORGANISMS, AND NOXIOUS WEEDS.

(a) **IN GENERAL.**—Subtitle A of title IV of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 7701 et seq.) is amended by adding at the end the following new section:

“SEC. 420. REGULATION OF EXPORTS OF PLANTS, PLANT PRODUCTS, BIOLOGICAL CONTROL ORGANISMS, AND NOXIOUS WEEDS.

“(a) IN GENERAL.—The Secretary may regulate plants, plant products, biological control organisms, and noxious weeds for export purposes.

“(b) DUTIES.—The Secretary shall—

“(1) coordinate fruit and vegetable market analyses with the private sector and the Administrator of Foreign Agricultural Service; and

“(2) make publicly available on an Internet website—

“(A) the status of all export petitions;

“(B) to the greatest extent possible, an explanation of the sanitary or phytosanitary issues associated with each pending export petition; and

“(C) to the greatest extent possible, information on the import requirements of foreign countries for fruits and vegetables.

“(c) REGULATIONS.—The Secretary may issue regulations to implement this section.”.

(b) **TABLE OF CONTENTS.**—The table of contents in section 1(b) of such Act (7 U.S.C. 1501 note) is amended by inserting after the item relating to section 419 the following new item:

“Sec. 420. Regulation of exports of plants, plant products, biological control organisms, and noxious weeds.”.

No comparable provision.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

SEC. 11308. GRANTS TO REDUCE PRODUCTION OF METHAMPHETAMINES FROM ANHYDROUS AMMONIA.

(a) **GRANT AUTHORITY.**—The Secretary of Agriculture may make a grant to an eligible entity to enable the entity to obtain and add to an anhydrous ammonia fertilizer nurse tank a substance which will reduce the amount of methamphetamine which can be produced from any anhydrous ammonia removed from the tank.

(b) **DEFINITIONS.**—In this section:

(1) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) a producer of agricultural commodities;

(B) a cooperative association a majority of the members of which produce or process agricultural commodities, and

(C) a person in the trade or business of—

(i) selling an agricultural product, including an agricultural chemical, at retail, predominantly to farmers and ranchers; or

(ii) aerial and ground application of an agricultural chemical.

(2) **NURSE TANK.**—The term “nurse tank” shall have the meaning set forth in section 173.315(m) of title 49, Code of Federal Regulations, as in effect as of the date of the enactment of this Act.

(c) **GRANT AMOUNT.**—The amount of a grant made under this section to an entity shall be not less than \$40 and not more than \$60, multiplied by the number of fertilizer nurse tanks of the entity.

(d) **LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.**—For grants under this section, there are authorized to be appropriated to the Secretary a total of not more than \$15,000,000 for fiscal years 2008 through 2012.

SEC. 11062. GRANTS TO REDUCE PRODUCTION OF METHAMPHETAMINES FROM ANHYDROUS AMMONIA.

(a) Definitions- In this section:

(1) **ELIGIBLE ENTITY-** The term `eligible entity' means--

(A) a producer of agricultural commodities;

(B) a cooperative association, a majority of the members of which produce or process agricultural commodities; or

(C) a person in the trade or business of--

(i) selling an agricultural product (including an agricultural chemical) at retail, predominantly to farmers and ranchers; or

(ii) aerial and ground application of an agricultural chemical.

(2) **NURSE TANK-** The term `nurse tank' shall be considered to be a cargo tank (within the meaning of section 173.315(m) of title 49, Code of Federal Regulations, as in effect as of the date of the enactment of this Act).

(b) Grant Authority- The Secretary may make a grant to an eligible entity to enable the eligible entity to obtain and add to an anhydrous ammonia fertilizer nurse tank a physical lock or a substance to reduce the amount of methamphetamine that can be produced from any anhydrous ammonia removed from the nurse tank.

(c) Grant Amount- The amount of a grant made under this section to an eligible entity shall be the product obtained by multiplying--

(1) an amount not less than \$40 and not more than \$60, as determined by the Secretary; and

(2) the number of fertilizer nurse tanks of the eligible entity.

(d) Authorization of Appropriations- There is authorized to be appropriated to the Secretary to make grants under this section \$15,000,000 for the period of fiscal years 2008 through 2012.

SEC. 11309. USDA GRADUATE SCHOOL.

(a) Section 921 of the Federal Agriculture Improvement and Reform Act of 1996 (7

No similar provision

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

U.S.C. 2279b) is amended by striking subsections (a) through (k) and inserting the following: “The Department of Agriculture shall not establish, maintain, or otherwise operate a nonappropriated fund instrumentality of the United States to develop, administer, or provide educational training and professional development activities, including educational activities for Federal agencies, Federal employees, nonprofit organizations, other entities, and members of the general public.”.

(b) **EFFECTIVE DATE.**—The amendment made in subsection (a) apply beginning October 1, 2008.

SEC. 11310. PREVENTION AND INVESTIGATION OF PAYMENT AND FRAUD AND ERROR.

Section 1113(k) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(k)) is amended to read as follows:

“(k) **DISCLOSURE NECESSARY FOR PROPER ADMINISTRATION OF PROGRAMS OF CERTAIN GOVERNMENT AUTHORITIES.**—

“(1) **DISCLOSURE TO GOVERNMENT AUTHORITIES.**—Nothing in this title shall apply to the disclosure by the financial institution of the financial records of any customer to the Department of the Treasury, the Social Security Administration, the Railroad Retirement Board, or any other Government authority that certifies, disburses, or collects payments, when the disclosure of such information is necessary to, and such information is used solely for the purposes of—

“(A) the proper administration of section 1441 of the Internal Revenue Code of 1986 (26 U.S.C. 1441);

“(B) the proper administration of title II of the Social Security Act (42 U.S.C. 401 et seq.);

“(C) the proper administration of the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.);

“(D) the verification of the identify of any person in connection with the issuance of a Federal payment or collection of funds by a Government authority; or

“(E) the investigation or recovery of an improper Federal payment or collection of funds, or an improperly negotiated Treasury check.

“(2) **LIMITATIONS ON SUBSEQUENT DISCLOSURE.**—Notwithstanding any other

SEC. 11068. AMENDMENT TO THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.

Section 1113(k) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(k)) is amended--

(1) by striking the subsection heading and inserting the following:

“(k) Disclosure Necessary for Proper Administration of Programs of Certain Government Authorities- ”; and

(2) by striking paragraph (2) and inserting the following:

“(2) Nothing in this title shall apply to the disclosure by the financial institution of information contained in the financial records of any customer to any Government authority that certifies, disburses, or collects payments, where the disclosure of such information is necessary to, and such information is used solely for the purpose of--

“(A) verification of the identity of any person or proper routing and delivery of funds in connection with the issuance of a Federal payment or collection of funds by a Government authority; or

“(B) the investigation or recovery of an improper Federal payment or collection of funds or an improperly negotiated Treasury check.

“(3) Notwithstanding any other provision of law, a request authorized by paragraph (1) or (2) (and the information contained therein) may be used by the financial institution or its agents solely for the purpose of providing information contained in the financial records of the customer to the Government authority requesting the information, and the financial institution and its agents shall be barred from redisclosure of such information. Any Government authority receiving information pursuant to paragraph (1) or (2) may not disclose or use the information, except for the purposes set

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

provision of law, any request authorized by paragraph (1), and the information contained therein, may be used by the financial institution and its agents solely for the purpose of providing the customer's financial records to the Government authority requesting the information and shall be barred from redisclosure by the financial institution or its agents. Any Government authority receiving information pursuant to paragraph (1) may not disclose or use the information except for the purposes set forth in such paragraph.”.

forth in such paragraph.’.

SEC. 11311. SENSE OF CONGRESS REGARDING FOOD DESERTS, GEOGRAPHICALLY ISOLATED NEIGHBORHOODS AND COMMUNITIES WITH LIMITED OR NO ACCESS TO MAJOR CHAIN GROCERY STORES.

It is the sense of Congress that the Secretary of Agriculture, in conjunction with the National Institutes of Health, the Centers for Disease Control, the Institute of Medicine and faith-based organizations, should—

(1) conduct a national assessment of food deserts in the United States, namely those geographically isolated neighborhoods and communities with limited or no access to major-chain grocery stores; and

(2) develop recommendations for eliminating food deserts.

SEC. 7504. STUDY AND REPORT ON ACCESS TO NUTRITIOUS FOODS.

(a) In General- The Secretary shall carry out a study of, and prepare a report on, areas in the United States with limited access to affordable and nutritious food, with a particular focus on predominantly lower-income neighborhoods and communities.

(b) Contents- The study and report shall—

(1) assess the incidence and prevalence of areas with limited access to affordable and nutritious food in the United States;

(2) identify—

(A) characteristics and factors causing and influencing those areas; and

(B) the effect on local populations of limited access to affordable and nutritious food; and

(3) develop recommendations for addressing the causes and influences of those areas through measures including—

(A) community and economic development initiatives;

(B) incentives for retail food market development, including supermarkets, small grocery stores, and farmers' markets; and

(C) improvements to Federal food assistance and nutrition education programs.

(c) Coordination With Other Agencies and Organizations- The Secretary shall conduct the study under this section in coordination and consultation with—

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

- (1) the Secretary of Health and Human Services;
 - (2) the Administrator of the Small Business Administration;
 - (3) the Institute of Medicine; and
 - (4) representatives of appropriate businesses, academic institutions, and nonprofit and faith-based organizations.
- (d) Report to Congress- Not later than 1 year after the date of enactment of this Act, the Secretary shall submit the report prepared under this section, including the findings and recommendations described in subsection (b), to—
- (1) the Committee on Agriculture of the House of Representatives; and
 - (2) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 11312. PIGFORD CLAIMS.

(a) **IN GENERAL.**—Any Pigford claimant who has not previously obtained a determination on the merits of a Pigford claim may, in a civil action, obtain that determination.

(b) **LIMITATION.**—Notwithstanding any other provision of law—

(1) all payments or debt relief (including any limitation on foreclosure under subsection (f)) made pursuant to an action commenced under subsection (a) shall be made exclusively from funds made available pursuant to subsection (h), Provided that the total amount of payments and debt relief pursuant to an action commenced under subsection (a) shall not exceed \$100,000,000; and

(2) in no event may such payments or debt relief be made from the Judgement Fund established by 31 U.S.C. 1304.

(c) **INTENT OF CONGRESS AS TO REMEDIAL NATURE OF SECTION.**—It is the intent of Congress that this section be liberally construed so as to effectuate its remedial purpose of giving a full determination on the merits for each Pigford claim denied that determination.

(d) **LOAN DATA.**—

(1) **REPORT TO PERSON SUBMITTING PETITION.**—Not later than 60 days after the

SEC. 5402. DETERMINATION ON MERITS OF PIGFORD CLAIMS.

(a) **Definitions-** In this section:

(1) **CONSENT DECREE-** The term `consent decree' means the consent decree in the case of Pigford v. Glickman, approved by the United States District Court for the District of Columbia on April 14, 1999.

(2) **PIGFORD CLAIM-** The term `Pigford claim' means a discrimination complaint, as defined by section 1(h) of the consent decree and documented under section 5(b) of the consent decree.

(3) **PIGFORD CLAIMANT-** The term `Pigford claimant' means an individual who previously submitted a late-filing request under section 5(g) of the consent decree.

(b) **Determination on Merits-** Any Pigford claimant who has not previously obtained a determination on the merits of a Pigford claim may, in a civil action brought in the United States District Court for the District of Columbia, obtain that determination.

(c) **Limitation-**

(1) **IN GENERAL-** Subject to paragraph (2), all payments or debt relief (including any limitation on foreclosure under subsection (g)) shall be made exclusively from funds made available under subsection (h).

HOUSE BILL (H.R. 2419)

Secretary of Agriculture receives notice of a complaint filed by a claimant under subsection (a), the Secretary shall provide to the claimant a report on farm credit loans made within the claimant's county or adjacent county by the Department during the period beginning on January 1 of the year preceding the year or years covered by the complaint and ending on December 31 of year following such year or years. Such report shall contain information on all persons whose application for a loan was accepted, including—

- (A) the race of the applicant;
- (B) the date of application;
- (C) the date of the loan decision;
- (D) the location of the office making the loan decision; and
- (E) all data relevant to the process of deciding on the loan.

(2) **NO PERSONALLY IDENTIFIABLE INFORMATION.**—The reports provided pursuant to paragraph (1) shall not contain any information that would identify any person that applied for a loan from the Department of Agriculture.

(e) **EXPEDITED RESOLUTIONS AUTHORIZED.**—Any person filing a complaint under this Act for discrimination in the application for, or making or servicing of, a farm loan, at his or her discretion, may seek liquidated damages of \$50,000, discharge of the debt that was incurred under, or affected by, the discrimination that is the subject of the person's complaint, and a tax payment in the amount equal to 25 percent of the liquidated damages and loan principal discharged, in which case—

(1) if only such damages, debt discharge, and tax payment are sought, the complainant shall be able to prove his or her case by substantial evidence; and

(2) the court shall decide the case based on a review of documents submitted by the complainant and defendant relevant to the issues of liability and damages.

(f) **LIMITATION ON FORECLOSURES.**—The Secretary of Agriculture may not begin acceleration on or foreclosure of a loan if a borrower is a Pigford claimant and, in an appropriate administrative proceeding, makes a prima facie case that the foreclosure is related to a Pigford claim.

(g) **DEFINITIONS.**—In this Act—

(1) the term "Pigford claimant" means an individual who previously submitted a late-filing request under section 5(g) of the consent decree in the case of Pigford v.

SENATE AMENDMENT

(2) **MAXIMUM AMOUNT-** The total amount of payments and debt relief pursuant to an action commenced under subsection (b) shall not exceed \$100,000,000.

(d) **Intent of Congress as to Remedial Nature of Section-** It is the intent of Congress that this section be liberally construed so as to effectuate its remedial purpose of giving a full determination on the merits for each Pigford claim denied that determination.

(e) **Loan Data-**

(1) **REPORT TO PERSON SUBMITTING PETITION-** Not later than 60 days after the Secretary receives notice of a complaint filed by a claimant under subsection (b), the Secretary shall provide to the claimant a report on farm credit loans made within the claimant's county or adjacent county by the Department during the period beginning on January 1 of the year preceding the year or years covered by the complaint and ending on December 31 of year following such year or years. Such report shall contain information on all persons whose application for a loan was accepted, including--

- (A) the race of the applicant;
- (B) the date of application;
- (C) the date of the loan decision;
- (D) the location of the office making the loan decision; and
- (E) all data relevant to the process of deciding on the loan.

(2) **NO PERSONALLY IDENTIFIABLE INFORMATION-** The reports provided pursuant to paragraph (1) shall not contain any information that would identify any person that applied for a loan from the Department of Agriculture.

(f) **Expedited Resolutions Authorized-** Any person filing a complaint under this Act for discrimination in the application for, or making or servicing of, a farm loan, at his or her discretion, may seek liquidated damages of \$50,000, discharge of the debt that was incurred under, or affected by, the discrimination that is the subject of the person's complaint, and a tax payment in the amount equal to 25 percent of the liquidated damages and loan principal discharged, in which case--

(1) if only such damages, debt discharge, and tax payment are sought, the complainant shall be able to prove his or her case by substantial evidence (as defined in section 1(l) of the consent decree); and

(2) the court shall decide the case based on a review of documents submitted by the complainant and defendant relevant to the issues of liability and damages.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

<p>Glickman, approved by the United States District Court for the District of Columbia on April 14, 1999; and</p> <p>(2) the term “Pigford claim” means a discrimination complaint, as defined by section 1(h) of that consent decree and documented under section 5(b) of that consent decree.</p> <p>(h) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$100,000,000 for fiscal year 2008, to remain available until expended, for payments and debt relief in satisfaction of claims against the United States under subsection (a), and for any actions made pursuant to subsection (f).</p>	<p>(g) Limitation on Foreclosures- Notwithstanding any other provision of law, the Secretary may not begin acceleration on or foreclosure of a loan if the borrower is a Pigford claimant and, in an appropriate administrative proceeding, makes a prima facie case that the foreclosure is related to a Pigford claim.</p> <p>(h) Funding-</p> <p>(1) IN GENERAL- Of the funds of the Commodity Credit Corporation, the Secretary shall make available for payments and debt relief in satisfaction of claims against the United States under subsection (b) and for any actions under subsection (g) \$100,000,000 for fiscal year 2008, to remain available until expended.</p> <p>(2) AUTHORIZATION OF APPROPRIATIONS- In addition to funds made available under paragraph (1), there are authorized to be appropriated such sums as are necessary to carry out this section.</p>
<p>No comparable provision</p>	<p style="text-align: center;">SEC. 5403. SENSE OF THE SENATE RELATING TO CLAIMS BROUGHT BY SOCIALLY DISADVANTAGED FARMERS OR RANCHERS.</p> <p>It is the sense of the Senate that the Secretary should resolve all claims and class actions brought against the Department of Agriculture by socially disadvantaged farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)), including Native American, Hispanic, and female farmers or ranchers, based on racial, ethnic, or gender discrimination in farm program participation in an expeditious and just manner.</p>
<p style="text-align: center;">SEC. 11313. COMPTROLLER GENERAL STUDY OF WASTEWATER INFRASTRUCTURE NEAR UNITED STATES-MEXICO BORDER.</p> <p>The Comptroller General shall conduct a study of the state of wastewater infrastructure in rural communities within 150 miles of the United States-Mexico border to determine what the Federal Government can do to assist border rural communities in bringing wastewater infrastructure up to date.</p>	<p>No comparable provision</p>
<p style="text-align: center;">SEC. 11314. ELIMINATION OF STATUTE OF LIMITATIONS APPLICABLE TO COLLECTION OF DEBT BY ADMINISTRATIVE OFFSET.</p> <p>(a) ELIMINATION.—Section 3716(e) of title 31, United States Code, is amended to</p>	<p style="text-align: center;">SEC. 11069. ELIMINATION OF STATUTE OF LIMITATIONS APPLICABLE TO COLLECTION OF DEBT BY ADMINISTRATIVE OFFSET.</p> <p>(a) Elimination- Section 3716 of title 31, United States Code, is amended by striking</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

read as follows:

“(e) (1) Notwithstanding any other provision of law, regulation, or administrative limitation, no limitation on the period within which an offset may be initiated or taken pursuant to this section shall be effective.

“(2) This section does not apply when a statute explicitly prohibits using administrative offset or setoff to collect the claim or type of claim involved.”.

(b) **APPLICATION OF AMENDMENT.**—The amendment made by subsection (a) shall apply to any debt outstanding on or after the date of the enactment of this Act.

subsection (e) and inserting the following:

“(e)(1) Notwithstanding any other provision of law, regulation, or administrative limitation, no limitation on the period within which an offset may be initiated or taken pursuant to this section shall be effective.

“(2) This section does not apply when a statute explicitly prohibits using administrative offset or setoff to collect the claim or type of claim involved.”.

(b) Application of Amendment- The amendment made by subsection (a) shall apply to any debt outstanding on or after the date of the enactment of this Act.

SEC. 11315. POLLINATOR PROTECTION.

(a) **SHORT TITLE.**—This section may be cited as the “Pollinator Protection Act of 2007”.

(b) **FINDINGS.**—Congress finds that—

(1) many of the crops that humans and livestock consume rely on pollinators for healthy growth;

(2) pollination by honey and native bees adds more than \$18,000,000,000 annually to the value of United States crops;

(3) $\frac{1}{3}$ of the food supply of the United States depends on bee pollination, which makes the management and protection of pollinators an issue of paramount importance to the security of the United States food supply system;

(4) colony collapse disorder is the name that has been given to the latest die-off of honey bee colonies, exacerbating the continual decline of pollinators in North America;

(5) honey bee colonies in more than 23 states have been affected by colony collapse disorder;

(6) if the current rate of decline continues, the United States will be forced to rely more heavily on imported foods, which will destabilize the food security of the United States through adverse affects on the availability, price, and quality of the many fruits, vegetables, and other products that depend on animal pollination; and

(7) enhanced funding for research on honey bees, native bees, parasites, pathogens, toxins, and other environmental factors affecting bees and pollination of cultivated and wild plants will result in methods of response to colony collapse disorder and other

No comparable provision.

factors causing the decline of pollinators in North America.

(c) AUTHORIZATIONS OF APPROPRIATIONS.—

(1) AGRICULTURAL RESEARCH SERVICE.—There is authorized to be appropriated to the Secretary of Agriculture, acting through the Agricultural Research Service—

(A) \$3,000,000 for each of fiscal years 2008 through 2012, to be used for new personnel, facilities improvement, and additional research at Department of Agriculture Bee Research Laboratories;

(B) \$2,500,000 for each of fiscal years 2008 and 2009, to be used for research on honey and native bee physiology, insect pathology, insect chemical ecology, and honey and native bee toxicology at other Department of Agriculture facilities in New York, Florida, California, Utah, and Texas; and

(C) \$1,750,000 for each of fiscal years 2008 through 2010, to be used for an area-wide research program to identify causes and solutions for colony collapse disorder in affected States.

(2) COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE.—There is authorized to be appropriated to the Secretary of Agriculture, acting through the Cooperative State Research, Education, and Extension Service, \$10,000,000 for each of fiscal years 2008 through 2012 to be used to fund Department of Agriculture extension and research grants to investigate—

(A) honey bee biology, immunology, and ecology;

(B) honey bee genomics;

(C) honey bee bioinformatics;

(D) native bee crop pollination and habitat conservation;

(E) native bee taxonomy and ecology;

(F) pollination biology;

(G) sublethal effects of insecticides, herbicides, and fungicides on honey bees, native pollinators, and other beneficial insects;

(H) the effects of genetically-modified crops, including the interaction of genetically-modified crops with honey bees and other native pollinators; and

(I) honey, bumble, and other native bee parasites and pathogens and effects on other

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

native pollinators.

(3) **ANIMAL AND PLANT HEALTH INSPECTION SERVICE.**—There is authorized to be appropriated to the Secretary of Agriculture, acting through the Animal and Plant Health Inspection Service, \$2,250,000 for each of fiscal years 2008 through 2012 to conduct a nationwide honey bee pest and pathogen surveillance program.

(d) **ANNUAL REPORTS.**—The Secretary of Agriculture, acting through the Agricultural Research Service and the Cooperative State Research, Education, and Extension Service, shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status and progress of bee research projects that are carried out by the Secretary.

(e) **GIVING POLLINATOR HABITAT AND PROTECTION A PRIORITY IN CONSERVATION PROGRAMS.**—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended by adding at the end the following new subsection:

“(c) **NATIVE AND MANAGED POLLINATORS.**—In carrying out any conservation program administered by the Secretary, except the farmland protection program, the Secretary shall establish a priority and provide incentives for—

“(1) increasing habitat for native and managed pollinators, especially native habitat; and

“(2) establishing cropping systems, integrated pest management regimes, and other practices to protect native and managed pollinators.”.

SEC. 11086. OVERSIGHT OF NATIONAL AQUATIC ANIMAL HEALTH PLAN.

(a) Definitions- In this section:

(1) **ADVISORY COMMITTEE-** The term `advisory committee' means the General Advisory Committee for Oversight of National Aquatic Animal Health established under subsection (b)(1).

(2) **PLAN-** The term `plan' means the national aquatic animal health plan developed by the National Aquatic Animal Health Task Force, composed of representatives of the Department of Agriculture, the Department of Commerce (including the National Oceanic and Atmospheric Administration), and the Department of the Interior (including the United States Fish and Wildlife Service).

No comparable provision.

(3) SECRETARY- The term `Secretary' means the Secretary of Agriculture, acting through the Administrator of the Animal and Plant Health Inspection Service.

(b) General Advisory Committee for Oversight of National Aquatic Animal Health-

(1) ESTABLISHMENT- Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with States and the private sector, shall establish an advisory committee, to be known as the `General Advisory Committee for Oversight of National Aquatic Animal Health'.

(2) MEMBERSHIP-

(A) COMPOSITION- The advisory committee shall--

(i) be composed equally of representatives of--

(I) State and tribal governments; and

(II) commercial aquaculture interests; and

(ii) consist of not more than 20 members, to be appointed by the Secretary, of whom--

(I) not less than 3 shall be representatives of Federal departments or agencies;

(II) not less than 6 shall be representatives of State or tribal governments that elect to participate in the plan under subsection (d);

(III) not less than 6 shall be representatives of affected commercial aquaculture interests; and

(IV) not less than 2 shall be aquatic animal health experts, as determined by the Secretary, of whom at least 1 shall be a doctor of veterinary medicine.

(B) NOMINATIONS- The Secretary shall publish in the Federal Register a solicitation for, and may accept, nominations for members of the advisory committee from appropriate entities, as determined by the Secretary.

(c) Recommendations-

(1) IN GENERAL- Not later than 18 months after the date of enactment of this Act, the advisory committee shall develop and submit to the Secretary recommendations regarding--

(A) the establishment and membership of appropriate expert and representative

commissions to efficiently implement and administer the plan;

(B) disease- and species-specific best management practices relating to activities carried out under the plan; and

(C) the establishment and administration of the indemnification fund under subsection (e).

(2) FACTORS FOR CONSIDERATION- In developing recommendations under paragraph (1), the advisory committee shall take into consideration all emergency aquaculture-related projects that have been or are being carried out under the plan as of the date of submission of the recommendations.

(3) REGULATIONS- After consideration of the recommendations submitted under this subsection, the Secretary shall promulgate regulations to establish a national aquatic animal health improvement program, in accordance with the Animal Health Protection Act (7 U.S.C. 8301 et seq.).

(d) Participation by State and Tribal Governments and Private Sector-

(1) IN GENERAL- Any State or tribal government, and any entity in the private sector, may elect to participate in the plan.

(2) DUTIES- On election by a State or tribal government or entity in the private sector to participate in the plan under paragraph (1), the State or tribal government or entity shall--

(A) submit to the Secretary--

(i) a notification of the election; and

(ii) nominations for members of the advisory committee, as appropriate; and

(B) as a condition of participation, enter into an agreement with the Secretary under which the State or tribal government or entity--

(i) assumes responsibility for a portion of the non-Federal share of the costs of carrying out the plan, as described in paragraph (3); and

(ii) agrees to act in accordance with applicable disease- and species-specific best management practices relating to activities carried out under the plan by the State or tribal government or entity, as the Secretary determines to be appropriate.

(3) NON-FEDERAL SHARE-

(A) IN GENERAL- Subject to subparagraph (B), the non-Federal share of the cost of carrying out the plan--

(i) shall be determined--

(I) by the Secretary, in consultation with the advisory committee; and

(II) on a case-by-case basis for each project carried out under the plan; and

(ii) may be provided by State and tribal governments and entities in the private sector in cash or in-kind.

(B) DEPOSITS INTO INDEMNIFICATION FUND- The non-Federal share of amounts in the indemnification fund provided by each State or tribal government or entity in the private sector shall be--

(i) zero with respect to the initial deposit into the fund; and

(ii) determined on a case-by-case basis for each project carried out under the plan.

(e) Indemnification Fund-

(1) ESTABLISHMENT- The Secretary, in consultation with the advisory committee, shall establish a fund, to be known as the 'indemnification fund', consisting of such amounts as are initially deposited into the fund by the Secretary under subsection (g)(1).

(2) USES- The Secretary shall use amounts in the indemnification fund only to compensate aquatic farmers--

(A) the entire inventory of livestock or gametes of which is eradicated as a result of a disease control or eradication measure carried out under the plan; or

(B) for the cost of disinfecting, destruction, and cleaning products or equipment in response to a depopulation order carried out under the plan.

(3) UNUSED AMOUNTS- Amounts remaining in the indemnification fund on September 30 of the fiscal year for which the amounts were appropriated--

(A) shall remain in the fund;

(B) may be used in any subsequent fiscal year in accordance with paragraph (2); and

(C) shall not be reprogrammed by the Secretary for any other use.

(f) Review- Not later than 2 years after the date of enactment of this Act, the

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

Secretary, in consultation with the advisory committee, shall review, and submit to Congress a report regarding--

- (1) activities carried out under the plan during the preceding 2 years;
- (2) activities carried out by the advisory committee; and
- (3) recommendations for funding for subsequent fiscal years to carry out this section.

(g) Authorization of Appropriations- There is authorized to be appropriated to carry out this section \$15,000,000 for each of fiscal years 2008 and 2009, of which--

- (1) not less than 50 percent shall be deposited into the indemnification fund established under subsection (e) for use in accordance with that subsection; and
- (2) not more than 50 percent shall be used for the costs of carrying out the plan, including the costs of--
 - (A) administration of the plan;
 - (B) implementation of the plan;
 - (C) training and laboratory testing;
 - (D) cleaning and disinfection associated with depopulation orders; and
 - (E) public education and outreach activities.

No comparable provision.

SEC. 11080. EXEMPTION FROM AQI USER FEES.

(a) In General- Notwithstanding any other provision of law (including regulations), the owner or operator of any commercial truck described in subsection (b) shall be exempt from the payment of any agricultural quarantine and inspection user fee.

(b) Commercial Trucks- A commercial truck referred to in subsection (a) is a commercial truck that—

- (1) originates in the State of Alaska and reenters the customs territory of the United States directly from Canada; or
- (2) originates in the customs territory of the United States (other than the State of

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

Alaska) and transits through the customs territory of Canada directly before entering the State of Alaska.

(c) Sealed Cargo Areas- A cargo area of any commercial truck carrying an agricultural product shall remain sealed during transit through Canada.

No comparable provision.

SEC. 11077. REGULATIONS TO IMPROVE MANAGEMENT AND OVERSIGHT OF CERTAIN REGULATED ARTICLES.

(a) In General- Not later than 18 months after the date of enactment of this Act, the Secretary shall promulgate regulations—

(1) to implement, as appropriate, each issue identified in the document entitled 'Lessons Learned and Revisions under Consideration for APHIS' Biotechnology Framework', dated October 4, 2007; and

(2) to improve the management and oversight of articles regulated under the Plant Protection Act (7 U.S.C. 7701 et seq.).

(b) Inclusions- In promulgating regulations under subsection (a), the Secretary shall include provisions that are designed to enhance—

(1) the quality and completeness of records;

(2) the availability of representative samples;

(3) the maintenance of identity and control in the event of an unauthorized release;

(4) corrective actions in the event of an unauthorized release;

(5) protocols for conducting molecular forensics;

(6) clarity in contractual agreements;

(7) the use of the latest scientific techniques for isolation and confinement;

(8) standards for quality management systems and effective research (including

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

laboratory, greenhouse, and field research); and

(9) the design of electronic permits to store documents and other information relating to the permit and notification processes.

(c) Consideration- In promulgating regulations under subsection (a), the Secretary shall consider—

(1) establishing—

(A) a system of risk-based categories to classify each regulated article;

(B) a means to identify regulated articles (including the retention of seed samples); and

(C) standards for isolation and containment distances; and

(2) requiring permit holders—

(A) to maintain a positive chain of custody;

(B) to provide for the maintenance of records;

(C) to provide for the accounting of material;

(D) to conduct periodic audits;

(E) to establish an appropriate training program;

(F) to provide contingency and corrective action plans; and

(G) to submit reports as the Secretary considers to be appropriate.

No comparable provision.

SEC. 11078. INVASIVE PEST AND DISEASE EMERGENCY RESPONSE FUNDING CLARIFICATION.

The Secretary may provide funds on an emergency basis to States to assist the States in combating invasive pest and disease outbreaks for any appropriate period of years after

the date of initial detection by a State of an invasive pest or disease outbreak, as determined by the Secretary.

No comparable provision.

SEC. 11063. INVASIVE SPECIES MANAGEMENT, HAWAII.

(a) Definitions- In this section:

(1) SECRETARIES- The term `Secretaries' means—

(A) the Secretary of the Interior;

(B) the Secretary of Agriculture; and

(C) the Secretary of Homeland Security.

(2) SECRETARY CONCERNED- The term `Secretary concerned' means—

(A) the Secretary of the Interior, with respect to matters under the jurisdiction of the Department of the Interior;

(B) the Secretary of Agriculture, with respect to matters under the jurisdiction of the Department of Agriculture; and

(C) the Secretary of Homeland Security, with respect to matters under the jurisdiction of the Department of Homeland Security.

(3) STATE- The term `State' means the State of Hawaii.

(b) Controlling Introduction and Spread of Invasive Species and Diseases in the State-

(1) CONSULTATION AND COOPERATION- The Secretaries concerned shall—

(A) with respect to restricting the introduction or movement of invasive species and diseases into the State, consult and cooperate with the State; and

(B) in carrying out the activities described in this subsection, consult and cooperate with appropriate agencies and officers with experience relating to

quarantine procedures, natural resources, conservation, and law enforcement of—

- (i) the Department of Homeland Security;
- (ii) the Department of Commerce;
- (iii) the United States Treasury; and
- (iv) the State.

(2) DEVELOPMENT OF COLLABORATIVE FEDERAL AND STATE PROCEDURES- The Secretaries, in collaboration with the State, shall—

- (A) develop procedures to minimize the introduction of invasive species into the State; and
- (B) submit to Congress annual reports describing progress made and results achieved in carrying out the procedures.

(3) EXPEDITED CONSIDERATION OF STATE AND LOCAL CONTROL PROPOSALS-

(A) EXPEDITED PROCESS- Not later than 1 year after the date of enactment of this Act, the Secretaries shall establish an expedited process for the State and political subdivisions of the State under which the State and political subdivisions may, through the submission of an application, seek approval of the Secretary concerned to impose a general or specific prohibition or restriction on the introduction or movement of invasive species or diseases from domestic or foreign locations to the State that is in addition to the applicable prohibition or restriction imposed by the Secretary concerned.

(B) REVIEW PERIOD- Not later than 60 days after the date of receipt by the Secretary concerned of an application under subparagraph (A) that the Secretary concerned determines to be a completed application, the Secretary concerned shall—

- (i) review the completed application;
- (ii) assess each potential risk with respect to the completed

	<p>application; and</p> <p>(iii) approve or disapprove the completed application.</p> <p>(4) RESPONSE TO EMERGENCY THREATS-</p> <p>(A) IN GENERAL- The State may carry out an emergency action to impose a prohibition or restriction on the entry of an invasive species or disease that is in addition to the applicable prohibition or restriction imposed by the Secretary concerned if—</p> <p>(i) the State has submitted to the Secretary concerned a completed application under paragraph (3) that is pending approval by the Secretary concerned; and</p> <p>(ii) an emergency or imminent threat from an invasive species or disease occurs in the State during the period in which the completed application described in clause (i) is pending approval by the Secretary concerned.</p> <p>(B) NOTICE- Before carrying out an emergency action under subparagraph (A), the State shall provide written notice to the Secretary concerned.</p> <p>(C) PERIOD OF EMERGENCY ACTION- If, by the date that is 10 days after the date of receipt of a written notice under subparagraph (B), the Secretary concerned does not object to the emergency action that is the subject of the notice, the State may carry out the emergency action during the 60-day period beginning on that date.</p> <p>(c) Authorization of Appropriations- There are authorized to be appropriated to the Secretaries such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.</p>
<p>No comparable provision</p>	<p>SEC. 11090. INVASIVE SPECIES REVOLVING LOAN FUND.</p> <p>(a) Definitions- In this section:</p> <p>(1) AUTHORIZED EQUIPMENT-</p> <p>(A) IN GENERAL- The term `authorized equipment' means any equipment</p>

necessary for the management of forest land.

(B) INCLUSIONS- The term `authorized equipment'includes--

(i) cherry pickers;

(ii) equipment necessary for--

(I) the construction of staging and marshalling areas;

(II) the planting of trees; and

(III) the surveying of forest land;

(iii) vehicles capable of transporting harvested trees;

(iv) wood chippers; and

(v) any other appropriate equipment, as determined by the Secretary.

(2) FUND- The term `Fund' means the Invasive Species Revolving Loan Fund established by subsection (b).

(3) SECRETARY- The term `Secretary' means the Secretary of Agriculture, acting through the Deputy Chief of the State and Private Forestry organization.

(b) Establishment of Fund- There is established in the Treasury of the United States a revolving fund, to be known as the `Invasive Species Revolving Loan Fund', consisting of such amounts as are appropriated to the Fund under subsection (f).

(c) Expenditures From Fund-

(1) IN GENERAL- Subject to paragraph (2), on request by the Secretary, the Secretary of the Treasury shall transfer from the Fund to the Secretary such amounts as the Secretary determines are necessary to provide loans under subsection (e).

(2) ADMINISTRATIVE EXPENSES- An amount not exceeding 10 percent of the amounts in the Fund shall be available for each fiscal year to pay the administrative expenses necessary to carry out this section.

(d) Transfers of Amounts-

(1) IN GENERAL- The amounts required to be transferred to the Fund under this section shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

(2) ADJUSTMENTS- Proper adjustment shall be made in amounts subsequently

transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(e) Uses of Fund-

(1) LOANS-

(A) IN GENERAL- The Secretary shall use amounts in the Fund to provide loans to eligible units of local government to finance purchases of authorized equipment to monitor, remove, dispose of, and replace infested trees that are located--

(i) on land under the jurisdiction of the eligible units of local government; and

(ii) within the borders of quarantine areas infested by invasive species.

(B) MAXIMUM AMOUNT- The maximum amount of a loan that may be provided by the Secretary to an eligible unit of local government under this subsection shall be the lesser of--

(i) the amount that the eligible unit of local government has appropriated--

(I) to finance purchases of authorized equipment to monitor, remove, dispose of, and replace infested trees that are located--

(aa) on land under the jurisdiction of the eligible unit of local government; and

(bb) within the borders of a quarantine area infested by invasive species; and

(II) to enter into contracts with appropriate individuals and entities to monitor, remove, dispose of, and replace infested trees that are located in each area described in subclause (I); or

(ii) \$5,000,000.

(C) INTEREST RATE- The interest rate on any loan made by the Secretary under this paragraph shall be a rate equal to 2 percent.

(D) REPORT- Not later than 180 days after the date on which an eligible unit of local government receives a loan provided by the Secretary under subparagraph (A), the eligible unit of local government shall submit to the Secretary a report that describes each purchase made by the eligible unit of local government using assistance provided through the loan.

(2) LOAN REPAYMENT SCHEDULE-

(A) IN GENERAL- To be eligible to receive a loan from the Secretary under

paragraph (1), in accordance with each requirement described in subparagraph (B), an eligible unit of local government shall enter into an agreement with the Secretary to establish a loan repayment schedule relating to the repayment of the loan.

(B) REQUIREMENTS RELATING TO LOAN REPAYMENT SCHEDULE- A loan repayment schedule established under subparagraph (A) shall require the eligible unit of local government--

(i) to repay to the Secretary of the Treasury, not later than 1 year after the date on which the eligible unit of local government receives a loan under paragraph (1), and semiannually thereafter, an amount equal to the quotient obtained by dividing--

(I) the principal amount of the loan (including interest); by

(II) the total quantity of payments that the eligible unit of local government is required to make during the repayment period of the loan; and

(ii) not later than 20 years after the date on which the eligible unit of local government receives a loan under paragraph (1), to complete repayment to the Secretary of the Treasury of the loan made under this section (including interest).

(f) Authorization of Appropriations- There are authorized to be appropriated to the Fund such sums as are necessary to carry out this section

No comparable provision.

SEC. 11091. COOPERATIVE AGREEMENTS RELATING TO INVASIVE SPECIES PREVENTION ACTIVITIES.

Any cooperative agreement entered into after the date of enactment of this Act between the Secretary and a State relating to the prevention of invasive species infestation shall allow the State to provide any cost-sharing assistance or financing mechanism provided to the State under the cooperative agreement to a unit of local government of the State that--

(1) is engaged in any activity relating to the prevention of invasive species infestation; and

(2) is capable of documenting each invasive species infestation prevention activity generally carried out by--

(A) the Department of Agriculture; or

(B) the State department of agriculture that has jurisdiction over the unit of local

	government.
No comparable provision.	<p>SEC. 11082. REPORT RELATING TO THE ENDING OF CHILDHOOD HUNGER IN THE UNITED STATES.</p> <p>(a) Findings- Congress finds that--</p> <p>(1) the United States has the highest rate of childhood poverty in the industrialized world, with over 1/5 of all children of the United States living in poverty, and almost half of those children living in extreme poverty;</p> <p>(2) childhood poverty in the United States is growing rather than diminishing;</p> <p>(3) households with children experience hunger at more than double the rate as compared to households without children;</p> <p>(4) hunger is a major problem in the United States, with the Department of Agriculture reporting that 12 percent of the citizens of the United States (approximately 35,000,000 citizens) could not put food on the table of those citizens at some point during 2006;</p> <p>(5) of the 35,000,000 citizens of the United States that have very low food security--</p> <p>(A) 98 percent of those citizens worried that money would run out before those citizens acquired more money to buy more food;</p> <p>(B) 96 percent of those citizens had to cut the size of the meals of those citizens or even go without meals because those citizens did not have enough money to purchase appropriate quantities of food; and</p> <p>(C) 94 percent of those citizens could not afford to eat balanced meals;</p> <p>(6) the phrase `people with very low food security', a new phrase in our national lexicon, in simple terms means `people who are hungry';</p> <p>(7) 30 percent of black and Hispanic children, and 40 percent of low income children, live in households that do not have access to nutritionally adequate diets that are necessary for an active and healthy life;</p> <p>(8) the increasing lack of access of the citizens of the United States to nutritionally adequate diets is a significant factor from which the Director of the Centers for Disease Control and Prevention concluded that `during the past 20 years there has been a dramatic increase in obesity in the United States';</p>

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(9) during the last 3 decades, childhood obesity has--

- (A) more than doubled for preschool children and adolescents; and
- (B) more than tripled for children between the ages of 6 and 11 years;

(10) as of the date of enactment of this Act, approximately 9,000,000 children who are 6 years old or older are considered obese;

(11) scientists have demonstrated that there is an inverse relation between obesity and doing well in school; and

(12) a study published in Pediatrics found that '6- to 11-year-old food-insufficient children had significantly lower arithmetic scores and were more likely to have repeated a grade, have seen a psychologist, and have had difficulty getting along with other children'.

(b) Sense of Congress- It is the sense of Congress that--

- (1) it is a national disgrace that many millions of citizens of the United States, a disproportionate number of whom are children, are going hungry in this great nation, which is the wealthiest country in the history of the world;
- (2) because the strong commitment of the United States to family values is deeply undermined when families and children go hungry, the United States has a moral obligation to abolish hunger; and
- (3) through a variety of initiatives (including large funding increases in nutrition programs of the Federal Government), the United States should abolish child hunger and food insufficiency in the United States by the 2013.

(c) Report- Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the relevant committees of Congress a report that describes the best and most cost-effective manner by which the Federal Government could allocate an increased amount of funds to new programs and programs in existence as of the date of enactment of this Act to achieve the goal of abolishing child hunger and food insufficiency in the United States by 2013.

No comparable provision.

SEC. 11074. GAO REPORT ON ACCESS TO HEALTH CARE FOR FARMERS.

(a) Report- Not later than November 30, 2008, the Comptroller General of the

United States shall submit to Congress a report on access to health care for rural Americans and farmers.

(b) Consultation- The report shall be done in consultation with the Rural Health Research Centers in the Department of Health and Human Services Office of Rural Health Policy.

(c) Elements- The report required by subsection (a) shall include the following:

(1) ASSESSMENT- An assessment of access to health care for rural Americans, including the following:

(A) An overview of the rates of the uninsured among people living in rural areas in the United States and possible factors that cause the uninsurance, specifically--

(i) a synthesis of existing research on the uninsured living in rural America; and

(ii) a detailed analysis of the uninsured and the factors that contribute in uninsurance in 3 to 4 rural areas.

(2) SECOND ASSESSMENT- An assessment of access to health care for farmers, including the following:

(A) An overview of the rates of the uninsured among farmers in the United States and the factors that cause the uninsurance, specifically--

(i) factors, such as land assets, that keep low-income farmers from qualifying for public insurance programs;

(ii) the effects of the high price of health insurance for individuals purchasing in the individual, non-group market; and

(iii) any other significant factor that contributes to the rates of uninsurance among farmers.

(B) The extent to which farmers depend on a spouse's off-farm job for health care coverage.

(C) The effects of uninsurance on farmers and their families.

(3) ROLE OF CONGRESS- Recommendations regarding the potential role of Congress in supporting increased access to health insurance for farmers and their families, and rural Americans.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

No comparable provision.

SEC. 11075. CONVEYANCE OF LAND TO CHIHUAHUAN DESERT NATURE PARK.

(a) Definitions- In this section:

(1) BOARD- The term `Board' means the Chihuahuan Desert Nature Park Board.

(2) NATURE PARK- The term `Nature Park' means the Chihuahuan Desert Nature Park, Inc., a nonprofit corporation in the State of New Mexico.

(b) Conveyance of Land-

(1) IN GENERAL- Not later than 1 year after the date of enactment of this Act, subject to valid existing rights and subsection (c), the Secretary shall convey to the Nature Park, by quitclaim deed, for no consideration, all right, title, and interest of the United States in and to the land described in paragraph (2)

(2) DESCRIPTION OF LAND-

(A) IN GENERAL- The parcel of land referred to in paragraph (1) consists of the approximately 935.62 acres of land in Dona Ana County, New Mexico, which is more particularly described--

(i) as sections 17, 20, and 21 of T. 21 S., R. 2 E., N.M.P.M.; and

(ii) in an easement deed dated May 14, 1998, from the Department of Agriculture to the Nature Park.

(B) MODIFICATIONS- The Secretary may modify the description of the land under subparagraph (A) to--

(i) correct errors in the description; or

(ii) facilitate management of the land.

(c) Conditions- The conveyance of land under subsection (b) shall be subject to--

(1) the reservation by the United States of all mineral and subsurface rights to the land, including any geothermal resources;

(2) the condition that the Board pay any costs relating to the conveyance;

(3) any rights-of-way reserved by the Secretary;

(4) a covenant or restriction in the deed to the land requiring that--

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(A) the land may be used only for educational or scientific purposes; and

(B) if the land is no longer used for the purposes described in subparagraph (A), the land may, at the discretion of the Secretary, revert to the United States in accordance with subsection (d); and

(5) any other terms and conditions that the Secretary determines to be appropriate.

(d) Reversion- If the land conveyed under subsection (b) is no longer used for the purposes described in subsection (c)(4)(A)--

(1) the land may, at the discretion of the Secretary, revert to the United States; and

(2) if the Secretary chooses to have the land revert to the United States, the Secretary shall--

(A) determine whether the land is environmentally contaminated, including contamination from hazardous wastes, hazardous substances, pollutants, contaminants, petroleum, or petroleum by-products; and

(B) if the Secretary determines that the land is environmentally contaminated, the Nature Park, the successor to the Nature Park, or any other person responsible for the contamination shall be required to remediate the contamination.

(e) Withdrawal- All federally owned mineral and subsurface rights to the land described in subsection (b)(2) are withdrawn from--

(1) location, entry, and patent under the mining laws; and

(2) the operation of the mineral leasing laws, including the geothermal leasing laws.

(f) Water Rights- Nothing in this section authorizes the conveyance of water rights to the Nature Park.

No comparable provision.

SEC. 11081. DEPARTMENT OF AGRICULTURE CONFERENCE TRANSPARENCY.

(a) Reports on Conference Expenditures- For fiscal year 2008 and each fiscal year thereafter, the Secretary shall submit to the Inspector General of the Department of Agriculture quarterly reports that describe the costs and contracting procedures relating to each conference or meeting held by the Department of Agriculture during the quarter covered by the report for which the cost to the Federal Government was more than

\$10,000.

(b) Requirements- Each report submitted under subsection (a) shall include, for each conference and meeting covered by the report--

(1) a description of the number participants attending, and the purpose of those participants for attending, the conference or meeting;

(2) a detailed statement of the costs incurred by the Federal Government relating to that conference or meeting, including--

(A) the cost of any food or beverages;

(B) the cost of any audio-visual services;

(C) the cost of all related travel; and

(D) a discussion of the methodology used to determine which costs relate to that conference or meeting; and

(3) a description of the contracting procedures relating to that conference or meeting, including--

(A) whether contracts were awarded on a competitive basis; and

(B) a discussion of any cost comparison conducted by the Department of Agriculture in evaluating potential contractors for any conference or meeting.

(c) Travel Expenses-

(1) DEFINITION OF CONFERENCE- In this subsection, the term `conference' means a meeting that--

(A) is held for consultation, education, awareness, or discussion;

(B) includes participants who are not all employees of the same agency;

(C) is not held entirely at an agency facility;

(D) involves costs associated with travel and lodging for some participants; and

(E) is sponsored by 1 or more agencies, 1 or more organizations that are not agencies, or a combination of those agencies or organizations.

(2) REPORT- Not later than September 30 of each fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and post on the public

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

website of the Department of Agriculture in a searchable, electronic format, a report on each conference for which the Department of Agriculture paid travel expenses during the fiscal year covered by the report, including--

(A) a description of--

(i) the itemized expenses paid by the Department of Agriculture, including travel expenses and any other expenditures to support the conference;

(ii) the primary sponsor of the conference; and

(iii) the location of the conference; and

(B) in the case of a conference for which the Department of Agriculture was the primary sponsor, a statement that--

(i) justifies the location selected;

(ii) demonstrates the cost efficiency of the location;

(iii) specifies the date or dates of the conference;

(iv) includes a brief explanation of the ways in which the conference advanced the mission of the Department of Agriculture; and

(v) specifies the total number of individuals whose travel or attendance at the conference was paid for, in whole or in part, by the Department of Agriculture.

No comparable provision.

SEC. 11083. NATIONAL EMERGENCY GRANT TO ADDRESS EFFECTS OF GREENSBURG, KANSAS TORNADO.

(a) Definitions- In this section:

(1) COVERED FUNDS- The term `covered funds' means funds provided under section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) to a State that submits an application under that section not earlier than May 4, 2007, for a national emergency grant to address the effects of the May 4, 2007, Greensburg, Kansas tornado.

(2) PROFESSIONAL MUNICIPAL SERVICES- The term `professional municipal services' means services that are necessary to facilitate the recovery of Greensburg, Kansas from that tornado, and necessary to plan for or provide basic management and administrative services, which may include--

(A) the overall coordination of disaster recovery and humanitarian efforts, oversight,

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>and enforcement of building code compliance, and coordination of health and safety response units; or</p> <p>(B) the delivery of humanitarian assistance to individuals affected by that tornado.</p> <p>(b) Temporary Public Sector Employment and Services- Covered funds may be used to provide temporary public sector employment and services authorized under section 173 of such Act to individuals affected by such tornado, including individuals who were unemployed on the date of the tornado, or who are without employment history, in addition to individuals who are eligible for disaster relief employment under section 173(d)(2) of such Act.</p> <p>(c) Professional Municipal Services- Covered funds may be used to provide professional municipal services for a period of not more than 24 months, by hiring or contracting with individuals or organizations (including individuals employed by contractors) that the State involved determines are necessary to provide professional municipal services.</p> <p>(d) Limitation- Covered funds expended under this section may be spent on costs incurred not earlier than May 4, 2007.</p>
<p>No comparable provision.</p>	<p>SEC. 11084. REPORT ON PROGRAM RESULTS.</p> <p>Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes--</p> <p>(1) each program of the Department of Agriculture that has received a Program Assessment Rating Tool score of 'results not demonstrated'; and</p> <p>(2) for each such program--</p> <p>(A) the reasons that the program has not been able to demonstrate results;</p> <p>(B) the steps being taken by the program to address those reasons; and</p> <p>(C) a description of anything that might be necessary to facilitate the demonstration of results.</p>
<p>No comparable provision.</p>	<p>SEC. 11089. STUDY OF IMPACTS OF LOCAL FOOD SYSTEMS AND COMMERCE.</p>

(a) Study- The Secretary shall conduct a study on the impacts of local food systems and commerce that shall, at a minimum--

(1) develop a working definition of local food systems and commerce; and

(2) identify indicators, and include an assessment of--

(A) the market share of local food systems and commerce throughout the United States and by region;

(B) the potential community, economic, health and nutrition, environmental, food safety, and food security impacts of advancing local food systems and commerce;

(C) the potential energy, transportation, water resource, and climate change impacts of local food systems and commerce;

(D) the structure of agricultural considerations and impacts throughout the United States and by region;

(E) the interest of agricultural producers in diversifying to access local markets and the barriers and opportunities confronted by agricultural producers in the process of diversification;

(F) the current availability and present and future need of independent processing plants that cater to local food commerce, including difficulty in meeting regulatory requirements;

(G) the key gaps in food processing, distribution, marketing, and economic development, including regional differences in infrastructure gaps and other barriers;

(H) the role of public and private institutions and institutional and governmental buying systems and procurement policies in purchasing products through local food systems;

(I) the benefits and challenges for children and families in the most vulnerable rural and urban sectors of the United States; and

(J) the challenges that prevent local foods from comprising a larger share of the per capita food consumption in the United States, and existing and potential strategies, policies, and programs to address those challenges.

(b) Collaboration-

(1) IN GENERAL- The Secretary shall appoint a collaborative study team to oversee and conduct the research necessary to conduct the study described in subsection

(a) and the case studies described in subsection (c).

(2) MEMBERSHIP- The study team shall include representatives of--

(A) the Economic Research Service, Agricultural Marketing Service, and other appropriate agencies of the Department of Agriculture or other Federal agencies;

(B) the Environmental Protection Agency;

(C) institutions of higher education, including at least 1 institution of higher education representative from each of the regions studied;

(D) small farmers;

(E) nongovernmental organizations with appropriate expertise; and

(F) State and local governments.

(c) Case Studies-

(1) IN GENERAL- The study team appointed by the Secretary under subsection (b) shall carry out case studies in representative production and marketing regions in the United States to address the issues being studied under subsection (a).

(2) REQUIREMENTS- In carrying out case studies, the study team shall--

(A) identify opportunities for primary research; and

(B) to the maximum extent practicable, use existing surveys, data, and research.

(3) COMPONENTS- Each case study shall--

(A) identify and, to the maximum extent practicable, evaluate the success of relevant Federal, State, and local policies that are intended to induce local food purchasing and commerce;

(B) examine the agricultural structure in each region to account for the impact of farm size and type of production on local economies and barriers to accessing local markets;

(C) determine regional market trends and the share of the market supplied by current agricultural producers in the region; and

(D) assess the potential for local food system value chains and supply networks and map the supply chain factors in each region involved in agricultural production, processing, and distribution of locally grown produce, meat, dairy, and other products.

(d) Reports- Not later than 2 years after the date of enactment of this Act, and thereafter as the Secretary considers appropriate, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that--

(1) describes the results of the study conducted under subsection (a) and the case studies under subsection (c); and

(2) includes such recommendations for legislative action as the Secretary considers appropriate

No comparable provision.

SEC. 10004 DISCLOSURE OF COUNTRY OF HARVEST FOR GINSENG

(a) In General- The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

`Subtitle E--Ginseng

`SEC. 291. DISCLOSURE OF COUNTRY OF HARVEST.

`(a) Definitions- In this section:

`(1) GINSENG- The term `ginseng' means a plant classified within the genus Panax.

`(2) RAW AGRICULTURAL COMMODITY- The term `raw agricultural commodity' has the meaning given the term in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

`(3) SECRETARY- The term `Secretary' means the Secretary of Agriculture.

`(b) Disclosure-

`(1) IN GENERAL- A person that offers ginseng for sale as a raw agricultural commodity or dehydrated whole root shall disclose to a potential purchaser the country of harvest of the ginseng.

`(2) IMPORTATION- A person that imports ginseng as a raw agricultural

commodity or dehydrated whole root into the United States shall disclose at the point of entry into the United States, in accordance with section 304 of the Tariff Act of 1930 (19 U.S.C. 1304), the country in which the ginseng was harvested.

`(c) Manner of Disclosure-

`(1) IN GENERAL- The disclosure required by subsection (b) shall be provided to a potential purchaser by means of a label, stamp, mark, placard, or other easily legible and visible sign on the ginseng or on the package, display, holding unit, or bin containing the ginseng.

`(2) RETAILERS- A retailer of ginseng as a raw agricultural commodity shall—

`(A) retain the means of disclosure provided under subsection (b); and

`(B) provide the received means of disclosure to a consumer of ginseng.

`(3) REGULATIONS- The Secretary shall by regulation prescribe with specificity the manner in which disclosure shall be made in a transaction at the wholesale or retail level (including a transaction by mail, telephone, internet, or in retail stores).

`(d) Fines- The Secretary may, after providing notice and an opportunity for a hearing before the Secretary, fine a person subject to subsection (b), or a person supplying ginseng to such a person, in an amount of not more than \$1,000 for each violation if the Secretary determines that the person—

`(1) has not made a good faith effort to comply with subsection (b); and

`(2) continues to willfully violate subsection (b).

`(e) Information- The Secretary shall make information available to wholesalers, importers, retailers, trade associations, and other interested persons concerning the requirements of this section (including regulations promulgated to carry out this section).'

(b) Effective Date- This section and the amendments made by this section take effect on the date that is 180 days after the date of enactment of this Act.

	Subtitle A--Agricultural Security
<p>No comparable provision.</p>	<p>SEC. 11011. DEFINITIONS.</p> <p>In this subtitle:</p> <p>(1) AGENT- The term `agent' means a chemical, biological, radiological, or nuclear substance that causes an agricultural disease or adulteration of food products under the jurisdiction of the Department.</p> <p>(2) AGRICULTURAL BIOSECURITY- The term `agricultural biosecurity' means protection from an agent that poses a threat to—</p> <p style="padding-left: 40px;">(A) plant or animal health;</p> <p style="padding-left: 40px;">(B) public health, with respect to direct exposure to an agricultural disease; or</p> <p style="padding-left: 40px;">(C) the environment, with respect to agriculture facilities, farmland, air, and water in the immediate vicinity of an area associated with an agricultural disease or outbreak.</p> <p>(3) AGRICULTURAL COUNTERMEASURE-</p> <p style="padding-left: 40px;">(A) IN GENERAL- The term `agricultural countermeasure' means a product, practice, or technology that is intended to enhance or maintain the agricultural biosecurity of the United States.</p> <p style="padding-left: 40px;">(B) EXCLUSIONS- The term `agricultural countermeasure' does not include any product, practice, or technology used solely for human medical incidents or public health emergencies not related to agriculture.</p> <p>(4) AGRICULTURAL DISEASE- The term `agricultural disease' has the meaning given the term by the Secretary.</p> <p>(5) AGRICULTURE- The term `agriculture' means—</p> <p style="padding-left: 40px;">(A) the science and practice of activities relating to food, feed, fiber, and energy production, processing, marketing, distribution, use, and trade;</p>

(B) nutrition, food science and engineering, and agricultural economics;

(C) forestry, wildlife science, fishery science, aquaculture, floriculture, veterinary medicine, and other related natural resource sciences; and

(D) research and development activities relating to plant- and animal-based products carried out by the Department.

(6) AGROTERRORIST ACT- The term `agroterrorist act' means an act that—

(A) causes or attempts to cause—

(i) damage to agriculture; or

(ii) injury to a person associated with agriculture; and

(B) is committed—

(i) to intimidate or coerce; or

(ii) to disrupt the agricultural industry.

(7) ANIMAL- The term `animal' means any member of the animal kingdom (except a human).

(8) DEPARTMENT- The term `Department' means the Department of Agriculture.

(9) DEVELOPMENT- The term `development' means--

(A) research leading to the identification of products or technologies intended for use as agricultural countermeasures;

(B) the formulation, production, and subsequent modification of those products or technologies;

(C) the conduct of preclinical and clinical in vivo and in vitro studies;

(D) the conduct of field, efficacy, and safety studies;

(E) the preparation of an application for marketing approval for submission to applicable agencies; and

(F) other actions taken by an applicable agency in a case in which an agricultural countermeasure is procured or used prior to issuance of a license or other form of approval.

(10) PLANT-

(A) IN GENERAL- The term `plant' means any plant (including any plant part) for or capable of propagation.

(B) INCLUSIONS- The term `plant' includes--

(i) a tree;

(ii) a tissue culture;

(iii) a plantlet culture;

(iv) pollen;

(v) a shrub;

(vi) a vine;

(vii) a cutting;

(viii) a graft;

(ix) a scion;

(x) a bud;

(xi) a bulb;

(xii) a root; and

(xiii) a seed.

	<p>(11) QUALIFIED AGRICULTURAL COUNTERMEASURE- The term `qualified agricultural countermeasure' means an agricultural countermeasure that the Secretary, in consultation with the Secretary of Homeland Security, determines to be a priority in order to address an agricultural biosecurity threat from--</p> <p>(A) an agent placed on the Select Agents and Toxins list of the Department;</p> <p>(B) an agent placed on the Plant Protection and Quarantine Select Agents and Toxins list of the Department; or</p> <p>(C) an applicable agent placed on the Overlap Select Agents and Toxins list of the Department and the Department of Health and Human Services, in accordance with--</p> <p>(i) part 331 of title 7, Code of Federal Regulations; and</p> <p>(ii) part 121 of title 9, Code of Federal Regulations.</p>
<p>No comparable provision.</p>	<p>SEC. 11012. NATIONAL PLANT DISEASE RECOVERY SYSTEM AND NATIONAL VETERINARY STOCKPILE.</p> <p>(a) National Plant Disease Recovery System-</p> <p>(1) ESTABLISHMENT- The Secretary, in coordination with the Secretary of Homeland Security, and in consultation with the Administrator of the Environmental Protection Agency, shall work with State and local governments and the private sector to establish a national plant disease recovery system to be used to respond to an outbreak of plant disease that poses a significant threat to agricultural biosecurity.</p> <p>(2) REQUIREMENTS- The national plant disease recovery system shall include agricultural countermeasures to be made available within a single growing season for crops of particular economic significance, as determined by the Secretary, in coordination with the Secretary of Homeland Security.</p> <p>(b) National Veterinary Stockpile- The Secretary, in coordination with the Secretary of</p>

Homeland Security, and in consultation with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, shall work with State and local governments and the private sector to establish a national veterinary stockpile, which shall be used by the Secretary, in coordination with the Secretary of Homeland Security to make agricultural countermeasures available to any State veterinarian not later than 24 hours after submission of an official request for assistance by the State veterinarian, unless the Secretary and the Secretary of Homeland Security cannot accommodate such a request due to an emergency, lack of available resources, or other reason for disapproval of the request as determined the Secretary.

No comparable provision.

SEC. 11013. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.

(a) Grant Program-

(1) IN GENERAL- The Secretary shall establish a grant program to stimulate basic and applied research and development activity for qualified agricultural countermeasures.

(2) COMPETITIVE GRANTS- In carrying out this section, the Secretary shall develop a process through which to award grants on a competitive basis.

(3) WAIVER IN EMERGENCIES- The Secretary may waive the requirement in paragraph (2), if—

(A) the Secretary has declared a plant or animal disease emergency under the Plant Protection Act (7 U.S.C. 7701 et seq.) or the Animal Health Protection Act (7 U.S.C. 8301 et seq.); and

(B) the waiver would lead to the rapid development of a qualified agricultural countermeasure, as determined by the Secretary.

(b) Use of Foreign Disease Permissible- The Secretary may permit the use of foreign animal and plant disease agents, and accompanying data, in research and development activities funded under this section if the Secretary determines that the diseases or data are necessary to demonstrate the safety and efficacy of an agricultural countermeasure in development.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(c) Coordination on Advanced Development- The Secretary shall ensure that the Secretary of Homeland Security is provided information, on a quarterly basis, describing each grant provided by the Secretary for the purpose of facilitating the acceleration and expansion of the advanced development of agricultural countermeasures.

(d) Scope- Nothing in this section impedes the ability of the Secretary of Homeland Security to administer grants for basic and applied research and advanced development activities for qualified agricultural countermeasures.

(e) Authorization of Appropriations- There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2008 through 2012.

No comparable provision.

SEC. 11014. VETERINARY WORKFORCE GRANT PROGRAM.

(a) In General- The Secretary shall establish a grant program to increase the number of veterinarians trained in agricultural biosecurity.

(b) Considerations for Funding Awarded- The Secretary shall establish procedures to ensure that grants are competitively awarded under the program based on—

(1) the ability of an applicant to increase the number of veterinarians who are trained in agricultural biosecurity practice areas determined by the Secretary;

(2) the ability of an applicant to increase research capacity in areas of agricultural biosecurity determined by the Secretary to be a priority; or

(3) any other consideration the Secretary determines to be appropriate.

(c) Use of Funds- Amounts received under this section may be used by a grantee to pay—

(1) costs associated with construction and the acquisition of equipment, and other capital costs relating to the expansion of schools of veterinary medicine, departments of comparative medicine, departments of veterinary science, or entities offering residency training programs; or

(2) capital costs associated with the expansion of academic programs that offer postgraduate training for veterinarians or concurrent training for veterinary students in specific areas of specialization.

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

(d) Authorization of Appropriations- There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

No comparable provision.

SEC. 11015. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPAREDNESS, AND RESPONSE.

(a) Advanced Training Programs-

(1) GRANT ASSISTANCE- The Secretary shall provide grant assistance to support the development and expansion of advanced training programs in agricultural biosecurity planning and response for food science professionals and veterinarians.

(2) AUTHORIZATION OF APPROPRIATIONS- There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subsection for each of fiscal years 2008 through 2012.

(b) Assessment of Response Capability-

(1) GRANT AND LOAN ASSISTANCE- The Secretary shall provide grant and low-interest loan assistance to States for use in assessing agricultural disease response and food emergency response capabilities.

(2) AUTHORIZATION OF APPROPRIATIONS- There is authorized to be appropriated to carry out this subsection \$25,000,000 for each of fiscal years 2008 through 2012.

No comparable provision.

SEC. 11017. PLANT PROTECTION.

(a) Civil Penalties for Violations- Section 424(b)(1) of the Plant Protection Act (7 U.S.C. 7734(b)(2)) is amended by striking subparagraphs (A) and (B) and inserting the following:

(A) \$50,000 in the case of any individual (except that the civil penalty may not exceed \$1,000 in the case of an initial violation of this title by an

HOUSE BILL (H.R. 2419)

SENATE AMENDMENT

	<p>individual moving regulated articles not for monetary gain);</p> <p>`(B) \$250,000 in the case of any other person for each violation;</p> <p>`(C) \$500,000 for each violation adjudicated in a single proceeding;</p> <p>`(D) \$1,000,000 for each violation adjudicated in a single proceeding involving a genetically modified organism (as determined by the Secretary); or</p> <p>`(E) twice the gross gain or gross loss for any violation, forgery, counterfeiting, unauthorized use, defacing, or destruction of a certificate, permit, or other document provided for in this title that results in the person deriving pecuniary gain or causing pecuniary loss to another.'</p> <p>(b) Time for Commencing Proceedings- Subtitle B of the Plant Protection Act (7 U.S.C. 7731 et seq.) is amended by adding at the end the following:</p> <p>`SEC. 427. TIME FOR COMMENCING PROCEEDINGS.</p> <p>`An action, suit, or proceeding with respect to an alleged violation of this title shall not be considered unless the action, suit, or proceeding is commenced not later than 5 years after the date the violation is initially discovered by the Secretary.'</p>
<p>No comparable provision.</p>	<p>SEC. 11070. REPORT ON STORED QUANTITIES OF PROPANE.</p> <p>(a) Report-</p> <p>(1) IN GENERAL- Not later than 240 days after the date of enactment of this Act, the Secretary of Homeland Security (referred to in this section as the `Secretary') shall submit to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Homeland Security and Government Affairs of the Senate and the Committee on Agriculture and the Committee on Homeland Security of the House of Representatives a report describing the effect of interim or final regulations issued by the Secretary pursuant to section 550(a) of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note; Public Law 109-295), with respect to possession of quantities of propane that meet or exceed the screening threshold quantity for propane established in the final rule under that section.</p> <p>(2) INCLUSIONS- The report under paragraph (1)--</p>

(A) shall include, at a minimum, a description of--

(i) the number of facilities that completed a top screen consequence assessment due to possession of quantities of propane that meet or exceed the listed screening threshold quantity for propane;

(ii) the number of agricultural facilities that completed the top screen consequence assessment due to possession of quantities of propane that meet or exceed the listed screening threshold quantity for propane;

(iii) the number of propane facilities initially determined to be high risk by the Secretary;

(iv) the number of propane facilities--

(I) required to complete a security vulnerability assessment or a site security plan; or

(II) that submit to the Secretary an alternative security program;

(v) the number of propane facilities that file an appeal of a finding under the final rule described in paragraph (1); and

(vi) to the extent available, the average cost of--

(I) completing a top screen consequence assessment requirement;

(II) completing a security vulnerability assessment; and

(III) completing and implementing a site security plan; and

(B) may include a classified annex, as the Secretary determines to be appropriate.

(b) Educational Outreach-

(1) IN GENERAL- Not later than 30 days after the date of enactment of this Act, the Secretary shall conduct educational outreach activities for rural facilities that may be required to complete a top screen consequence assessment due to possession of propane in a quantity that meets or exceeds the listed screening threshold quantity for propane.

(2) USE OF COUNCIL- In conducting outreach activities under paragraph (1), the Secretary may use the Food and Agricultural Sector Coordinating Council established under the national infrastructure protection plan to facilitate the provision of education to rural areas regarding the top screen consequence assessment requirement.

