

Section By Section Analysis

TITLE I—COMMODITY PROGRAMS

SUBTITLE A – DIRECT PAYMENTS AND COUNTER CYCLICAL PAYMENTS

SEC. 1001. DEFINITIONS

Section 1001 sets out definitions of various terms used in the bill. Most terms are defined as they were in the 2002 farm bill.

“Base acres” means the number of acres established by the 2002 farm bill as in effect one day before enactment of this bill.

“Covered commodity” is updated to include peanuts.

Section 1001 amends the definition of “loan commodity” by replacing rice with long grain, short grain, and medium grain rice, by replacing barley with feed barley and malt barley, and by adding peanuts.

“Payment acres” means 85 percent of the base acres for a covered commodity on which direct payments are made.

The section amends the definition of “payment yield” to mean the yield established for direct and counter-cyclical payments under the 2002 farm bill as in effect one day before enactment of this bill.

Section 1001 adds a definition of “Far East Price” and two definitions dealing with cotton quality and premiums: “United States Premium Factor,” which means the difference between the premiums offered by the U.S. loan schedule for certain grades of cotton in excess of the premiums for comparable international grades delivered cost and freight to the Far East market; and “Comparable United States Quality”, which states a classification standard for upland cotton which contains a slight premium for uniformity and falls within an acceptable range – to avoid a discount – for fiber wall thickness.

SEC. 1101. ADJUSTMENTS TO BASE ACRES

Producers are generally not given a choice of updating base acres or payment yields under this bill. However, section 1101(a) continues the 2002 farm bill’s provisions regarding Treatment of Conservation Reserve Contract Acreage. This allows the Secretary to provide base acre adjustments when a conservation reserve contract ends.

Section 1101(b) continues the 2002 farm bill’s provisions allowing the Secretary to reduce base acres when the sum of the farm’s base acres and the farm’s other acreage enrolled in certain conservation programs exceeds the actual cropland acreage of a farm.

Section 1101(c) continues the 2002 farm bill’s provisions allowing a farmer to permanently reduce the base acres on a farm.

SEC. 1102. AVAILABILITY OF DIRECT PAYMENTS

Section 1102(a) authorizes direct payments for 2008-2012 crop years in same manner as in 2002 Farm Bill.

Section 1102(b) maintains direct payment rates as in 2002 Farm Bill, and includes peanuts.

Section 1102(c) retains the formula for calculating payment amount as the product of payment rate times payment acres times payment yield.

Section 1102(d) allows advanced direct payments of up to 22 percent for 2008-2011 crop years and requires repayment of direct payments under same conditions as 2002 Farm Bill. Terminates advanced direct payments starting with 2012 crop year.

Section 1102(e) prohibits a direct payment if the payment for all covered commodities on the farm would be less than \$10.

SEC. 1103. AVAILABILITY OF COUNTER-CYCLICAL PAYMENTS

Section 1103(a) and (b) authorize counter-cyclical payments and establish the effective prices for covered commodities for 2008-2012 crop years in same manner as in 2002 Farm Bill. Clarifies that the Secretary shall establish national average loan rates for all rice and all barley for the purpose of calculating counter-cyclical payments as is done under current law (notwithstanding the fact that separate loan rates are established for long grain and medium grain rice and for feed barley and malt barley in section 1202 of the bill).

New target prices for wheat, barley, oats, cotton, soybeans, and other oilseeds are set out in the bill. Section 1103(c) establishes target prices as follows:

Wheat, \$4.15 **(23 cents above 2002 Farm Bill price)**

Corn, \$2.63 (Same as 2002 Farm Bill price)

Grain Sorghum, \$2.57 (Same as 2002 Farm Bill price)

Barley, \$2.73 **(49 cents above 2002 Farm Bill price)**

Oats, \$1.50 **(6 cents above 2002 Farm Bill price)**

Upland Cotton, \$0.70 **(2.4 cents below 2002 Farm Bill price)**

Peanuts, \$495 per ton, (Same as 2002 Farm Bill price)

Rice, \$10.50 (Same as 2002 Farm Bill all rice price)

Soybeans, \$6.10 **(20 cents above 2002 Farm Bill price)**

Other oilseeds, \$0.1150 **(1.4 cents above 2002 Farm Bill price)**

Section 1103(d) and (e) maintain the 2002 Farm Bill formulas for payment rates and amounts.

Section 1103(f) allows for partial counter-cyclical payments for the 2008-2010 crop years of up to 40% for 2008-2012 crop years and requires repayments of such under same conditions as 2002 Farm Bill. Partial countercyclical payments will be unavailable beginning with the 2011 crop year.

Section 1103(g) prohibits a direct payment if the payment for all covered commodities on the farm would be less than \$10.

SEC. 1104. PRODUCER AGREEMENT REQUIRED AS CONDITION OF PROVISION OF DIRECT PAYMENTS AND COUNTER-CYCLICAL PAYMENTS

Section 1104 maintains 2002 Farm bill requirements setting conditions on payment of direct and counter-cyclical payments. Section 1104(a) requires producers receiving direct and counter-cyclical payments to use the land for an agricultural or conserving use, comply with planting flexibility requirements, comply with certain conservation requirements, and to control noxious weeds and otherwise maintain the land in accordance with sound agricultural practices.

Section 1104(b) through (e) maintain 2002 farm bill requirements governing transfer of interest, acreage reports, tenants and sharecroppers, and sharing of payments.

SEC. 1105. PLANTING FLEXIBILITY

Section 1105 maintains 2002 Farm Bill provisions restricting the planting of fruits and vegetables on base acres, except that it establishes a pilot Farm Flex project in Indiana, under which tomatoes may be planted on up to 10,000 base acres.

SEC. 1106. PERIOD OF EFFECTIVENESS

Section 1106 authorizes the previous sections for 2008 through 2012 crop years.

SUBTITLE B—MARKETING ASSISTANCE LOANS AND LOAN DEFICIENCY PAYMENTS

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

Section 1201 authorizes nonrecourse loans for loan commodities for 2008-2012 crop years in same manner as 2002 Farm Bill. Includes requirement that producers comply with certain conservation requirements.

SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS

Section 1202(a) establishes two loan rates for rice, a long grain rice loan rate and a combined medium and short grain rice loan rate. And two loan rates for barley: a feed barley rate and a malt barley rate. It sets loan rates as follows:

- Wheat, \$2.94 **(19 cents above 2002 Farm Bill rate)**
- Corn, \$1.95 (same as 2002 Farm Bill rate)
- Grain Sorghum, \$1.95 (same as 2002 Farm Bill rate)
- Feed Barley, \$1.95 (10 cents above 2002 Farm Bill all barley rate)**
- Malt Barley, \$2.50 (65 cents above 2002 Farm Bill all barley rate)**
- Oats, \$1.39 **(6 cents above 2002 Farm Bill rate)**
- Base quality of Upland Cotton, \$0.52 (same as 2002 Farm Bill rate)
- Extra long staple cotton, \$0.7977 (Same as 2002 Farm Bill rate)
- Long grain rice, \$6.50 (same as 2002 Farm Bill all rice rate)
- Medium/short grain rice, \$6.50 (same as 2002 Farm Bill all rice rate)
- Soybeans, \$5.00 (same as 2002 Farm Bill rate)
- Other oilseeds, \$0.1070 **(1.4 cents above 2002 Farm Bill rate)**
- Dry Peas, \$5.40 **(82 cents below 2002 Farm Bill rate)**
- Lentils, \$11.28 **(44 cents below 2002 Farm Bill rate)**
- Small Chickpeas, \$8.54 **(\$1.11 above 2002 Farm Bill rate)**
- Peanuts, \$355 (same as 2002 Farm bill rate)
- Graded wool, \$1.10 **(10 cents above 2002 Farm Bill rate)**
- Nongraded wool, \$0.40 (same as 2002 Farm Bill rate)
- Honey, \$0.60 (same as 2002 Farm Bill rate)
- Mohair, \$4.20 (same as 2002 Farm Bill rate)

Section 1202(b) requires the Secretary to establish a single loan rate in each county for each of the “other oilseeds” listed in 1202(a).

Section 1202(c)(1) requires the Secretary to determine, based on data including prices for both corn and grain sorghum, and establish a single loan rate for corn and sorghum in each county, and a single national average loan rate for corn and grain sorghum. Section 1202(c)(2)

requires the Secretary to administer loan, marketing loan, counter-cyclical and related programs using a single loan rate for corn and grain sorghum that is identical in each county.

This section does not continue the 2002 Farm Bill provisions requiring that loan rates for dry peas, lentils and small chickpeas be based on feed peas, number 3 lentils, and number 3 small chickpeas.

SEC. 1203. TERMS OF LOANS

Section 1203 continues the provisions of the 2002 Farm Bill on the terms of loans: 9 months; no extensions.

SEC. 1204. REPAYMENT OF LOANS

Section 1204(a) establishes a general rule that loans may be repaid at the lesser of the rate established in section 1202, or a rate determined by the Secretary that will minimize forfeitures, accumulation of stocks, storage costs, market impediments, and discrepancies in benefits across State and county boundaries. It excludes cotton, rice, and sunflower seeds (other than oil sunflower seeds) from the general rule on repayment of loans.

Section 1204(b) sets out repayment rates for upland cotton and rice. Loans may be repaid at the lesser of the rate established in section 1202, or the prevailing world market price for the commodity.

Section 1204(c) sets the loan repayment rate for extra long staple cotton at the rate established under section 1202 plus interest (same as 2002 Farm Bill).

Section 1204(d) requires the Secretary to issue regulations with formulas to determine the prevailing world market prices for cotton and rice, and requires mechanisms for adjustment and periodic announcements of such prices.

Section 1204(d)(1) specifies that USDA use price quotes from Far East market (rather than from Northern Europe, as in current law) to determine the prevailing world market price for upland cotton. "Far East Price" means the three lowest price quotes on the sale of upland cotton in Far East markets based on delivered cost and freight. The term "Far East Price" comes from a publication by Cotlook, an independent firm that reports cotton market information.

Section 1204(e) provides for adjustments to the prevailing world market prices for upland cotton and rice for quality and location. The Secretary currently makes such adjustments, and the new provisions provide direction to the Secretary with regard to some of the adjustments.

Under section 1204(e)(2), adjustments to the prevailing world market price for cotton to reflect U.S. quality would include marketing costs (including transportation) and the premiums associated with Comparable United States Quality and reflect any United States Premium Factor, which are both defined in section 1001. "United States Premium Factor" means the difference between the premiums offered by the U.S. loan schedule for certain grades of cotton in excess of the premiums for comparable international grades delivered cost and freight to the Far East market. "Comparable United States Quality" states a classification standard for upland cotton which contains a slight premium for uniformity and falls within an acceptable range – to avoid a discount – for fiber wall thickness.

Section 1204(f) lists a new set of criteria on which USDA may further adjust the prevailing world market price for upland cotton:

1. Minimizing loan forfeitures
2. Minimizing the accumulation of cotton stocks
3. Improving the marketing of upland cotton at home and overseas

4. Ensuring that U.S. upland cotton is competitive in world markets
5. Ensuring a seamless transition of the calculation of AWP from current crop prices to forward-crop prices, with some limitations.

Section 1204(g) sets the repayment rate for sunflower seeds.

Section 1204(h) requires repayment rates for dry peas, lentils and small chickpeas to be based on quality grades for those commodities, rather than based on feed peas, number 3 lentils, and number 3 small chickpeas.

SEC. 1205. LOAN DEFICIENCY PAYMENTS

Section 1205 authorizes loan deficiency payments for 2008-2012 crop years under same conditions as 2002 Farm Bill.

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

Section 1206 authorizes payments in lieu of LDPs for producers who have grazed acreage for the 2008-2012 crop years under same conditions as 2002 Farm Bill.

SEC. 1207. SPECIAL MARKETING LOAN PROVISIONS FOR UPLAND COTTON

Section 1207 authorizes the President to issue special import quota for upland cotton if for a consecutive 4-week period the price of American cotton exceeds the price of cotton in the Far East markets. This is a change from current law, which is based on Northern Europe markets. Under current law, another trigger for this special import quota is a decline in the U.S. stock-to-use-ratio to below 16%. That trigger would be removed by this bill. The amount of cotton that can come into the U.S. under the special import quota during any marketing year is limited to the equivalent of 10 weeks consumption of upland cotton by domestic mills. This is a change from 5 weeks in current law.

Section 1207(b) continues the limited global import quota for upland cotton, as it existed under the 2002 Farm Bill. When domestic cotton prices exceed the previous 36 month average, a quantity equal to 21 days of domestic mill consumption will be imported without the over-quota tariff.

Section 1207(c) authorizes the Secretary to issue marketing certificates or cash payments to domestic users of upland cotton for uses of all cotton regardless of origin. The payments or certificates will equal 4-cents per pound, and these payments can be used for acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery.

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

Section 1208 authorizes through July 31, 2013 special competitive provisions for extra long staple cotton as they operated under the 2002 Farm Bill.

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

Section 1209 authorizes recourse loans for these crops for the 2008-2012 crop years in same manner as under 2002 Farm Bill.

SUBTITLE C – SUGAR

SEC. 1301. SUGAR PROGRAM

Section 1301 reauthorizes the sugar program through 2012 (by amending section 156 of the 1996 farm bill) and increases the marketing loan rate for raw cane sugar to 18.5 cents per pound and the marketing loan rate for refined beet sugar to 23.5 cents per pound.

Section 1301 (of the bill) strikes authority for the Secretary to reduce loan rates if there are negotiated reductions in export subsidies and domestic subsidies of other major sugar producing countries.

Section 1301 adds a new subsection (c) to section 156 of the 1996 farm bill, extending current law, which requires that loans be for up to 9 months, that the loans mature at the end of the fiscal year, and that supplemental loans are made available to supplement any loan first made during the last quarter of a fiscal year.

New subsection (d) extends current law, which provides that loans will be nonrecourse and that processors will make adequate assurances that payments to growers will be proportional to the loan values. It also allows the Secretary to set minimums for such payments and limits the Secretary's authority to require processors to prenotify forfeitures of collateral.

New subsection (e) extends current law authorizing nonrecourse loans on in-process sugars and syrups.

New subsection (f) extends current law requiring the Secretary to operate the sugar program, to the maximum extent practicable, at no cost to the Federal Government. The subsection authorizes the Commodity Credit Corporation to accept bids from processors (acting in conjunction with producers) for the purchase of sugar in CCC inventory in exchange for reduced production of raw cane or refined beet sugar.

New subsection (g) extends current law requiring producers of sugarcane in a State with more than 250 producers of sugarcane ("proportionate share" States) to report yields and acres, and allows the Secretary to require similar reports from other producers of sugarcane and sugar beets. The subsection requires importers of sugars, syrups, or molasses to be used for human consumption, other than quantities that are within the tariff-rate quota, to report. The subsection adds a new requirement that the Secretary collect information of the production, consumption, stocks and trade of sweeteners in Mexico.

New subsection (h) extends the current law provision that all refined sugars, whether from beets or cane, are substitutable for purposes of the refined sugar and sugar-containing products re-export programs.

New subsection (i) extends the sugar program through the 2012 crop year, and clarifies that the program for the 2007 crop will be operated as under current law.

SEC. 1302. UNITED STATES MEMBERSHIP IN THE INTERNATIONAL SUGAR ORGANIZATION

Section 1302 requires the Secretary of Agriculture to work with the Secretary of State to restore U.S. membership within the International Sugar Organization within one year from date of enactment of this bill.

SEC. 1303. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR

Section 1303 extends and amends the provisions of the Agricultural Adjustment Act of 1938 requiring the Secretary to establish marketing allotments for the 2008 through 2012 crops of domestically produced sugar to balance supply and demand and avoid loan forfeitures.

Subsection (a) adds a new definition of “human consumption” as used in the allotment provisions.

Subsection (b) clarifies that the coverage of allotments extends to sugar produced from imported sugar beets or in-process beet sugar and makes other technical and conforming changes.

Subsection (c) requires the Secretary to establish annual allotments at a level sufficient to avoid sugar forfeitures, with a minimum overall allotment quantity equal to at least 85 percent of estimated domestic human consumption. Eliminates the current law “trigger” that would suspend allotments whenever imports were estimated to exceed a certain level.

Subsection (d) updates the criteria for new entrants in the beet sugar sector.

Subsection (e) retains the procedures for the Secretary to reassign allotments if processors cannot fulfill the allocations, and specifies that any resulting imports must be in the form of raw cane sugar.

Subsection (f) provides a definition of “seed” for purposes of allotments in proportionate share States.

Subsection (g) provides new rules for converted acreage base in states having proportionate shares.

Subsection (h) includes transfers of mill allocations under the procedures for appeals to the Secretary regarding allotments, and eliminates an obsolete special appeal procedure regarding beet sugar allocations.

Subsection (i) provides for the orderly administration of the tariff-rate quotas on imported sugar, and requires the Secretary to establish orderly shipping patterns for sugar imports.

Subsection (j) extends the sugar allotments through the 2012 crop year.

SUBTITLE D – DAIRY-RELATED PROVISIONS

SEC. 1401. DAIRY PRODUCT PRICE SUPPORT PROGRAM

Section 1401 requires the Secretary to support the price of cheddar cheese, butter, and nonfat dry milk by purchasing such products. If net removals of cheese, butter or nonfat dry milk exceed specific limits for 12 consecutive months, the Secretary may reduce the purchase prices of that commodity during the month that immediately follows. The prices that the Secretary pays under this section for the commodities must be uniform across the country. The Secretary may sell cheese, butter, or nonfat dry milk for unrestricted use from inventories of the CCC at prevailing market prices, but not less than 110 percent of the prices specified in the Purchase Price subsection.

SEC. 1402. DAIRY FORWARD PRICING PROGRAM

Authorizes the Secretary to re-establish the dairy forward pricing program, which as a pilot program under the Agricultural Adjustment Act

Allows milk producers to voluntarily enter into forward price contracts with milk handlers for milk that is not Class I.

Prices received by milk producers and cooperatives under the forward contracts will be deemed to satisfy all regulated minimum milk price requirements.

Prohibits milk handlers from requiring participation on the part of producers as a condition for purchasing milk from such producers; and requires handlers who offer a producer a forward contract to, as an alternative, also offer to purchase the same volume of milk at the same terms, except under the Federal milk marketing order

Terminates the program in September 2012, but allows contracts entered-into under the program to extend to September 2013

Authorizes the Secretary to terminate the program if the Secretary determines that the program is operating in conflict with other provisions of the Act

SEC. 1403. DAIRY EXPORT INCENTIVE PROGRAM

Reauthorizes the dairy export incentive program until December 31, 2012

Authorizes the Secretary to issue rules to ensure that each year the maximum volume of dairy product exports allowable within the United States' obligations under the Uruguay Round Agreements is exported.

SEC. 1404. REVISION OF FEDERAL MARKETING ORDER AMENDMENT PROCEDURES

Requires the Secretary, upon receiving a written request for a hearing to amend a milk marketing order, issue a denial of the request or issue a notice of the hearing, and stipulates the timeframe for a hearing.

Notice for a hearing on a proposed amendment to a marketing order must be provided not less than 3 days before the date of the hearing.

Requires the Secretary to issue a recommended decision on a proposed amendment to a milk marketing order no more than 90 days after the date set for the submission of post-hearing findings, conclusions and written arguments.

Further requires the final decision to be issued no more than 60 days after the recommended decision was issued.

Provides that if the Secretary receives a request for a hearing on a proposed amendment to a milk marketing order within 90 days after announcing a decision on a previously proposed amendment to the same order, and the two proposed amendments are essentially the same, the Secretary is not required to call a hearing.

SEC. 1405. DAIRY INDEMNITY PROGRAM

Reauthorizes current dairy indemnity program until 2012.

SEC. 1406. EXTENSION OF MILK INCOME LOSS CONTRACT PROGRAM

Reauthorizes through 2012 the Milk Income Loss Contract (MILC) program as it was amended by the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act (P.L. 110-28).

SEC. 1407. DAIRY PROMOTION AND RESEARCH PROGRAM

Amends the definition of "United States" in the Dairy Production Stabilization Act of 1983 to include Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico

SEC. 1408. REPORT ON DEPARTMENT OF AGRICULTURE REPORTING PROCEDURES FOR NON-FAT DRY MILK

Requires the Secretary to submit a report to Congress within 90 days of enactment of this bill regarding USDA's reporting procedures for nonfat dry milk and the impact of those procedures on Federal milk marketing order minimum prices.

SUBTITLE E – ADMINISTRATION

SEC. 1501 ADMINISTRATION GENERALLY

Section 1501 authorizes the use of the Commodity Credit Corporation in carrying out the provisions of title 1 and generally continues other administrative provisions of the 2002 Farm Bill.

SEC. 1502 SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY

Section 1502 suspends the permanent price support authority of the Agricultural Adjustment Act of 1938 and Agricultural Act of 1949 for the 2008-2012 crops.

SEC. 1503 PAYMENT LIMITS

Section 1503 continues the payment limit provisions of the 2002 Farm Bill.

SEC. 1504. ADJUSTED GROSS INCOME LIMITATION

Section 1504 contains continues provisions of the 2002 Farm Bill.

SEC. 1505. ADJUSTMENTS OF LOANS

Section 1505 authorizes the Secretary to make adjustments in the loan rate for cotton for differences in quality factors and requires the Secretary to revise the marketing assistance loan program for cotton to better reflect market values for cotton. Required revisions include:

1. Warehouse location differentials would be eliminated or revised to reflect market conditions
2. Changing the way premiums and discounts are calculated by using a 3-year weighted moving average of spot market data weighted by each region's share of production. The current simple average of spot market data averaged 1-to-1 with the previous loan schedule inflates premiums out of alignment with market conditions.
3. Further caps on premiums based on leaf and color considerations
4. Eliminating gaps between premium and discount differentials based on certain fiber lengths

Section 1505 also provides for discretionary revisions in how USDA adjusts the loan rates schedule using non-spot market price data in addition to spot market data for cotton and eliminating gaps between premium and discount differentials based on certain longer fiber lengths. Section 1605 also encourages USDA consultation with the private cotton industry when making the mandatory and discretionary adjustments.

SEC. 1506. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES

Section 1506 extends an administrative provision of the 1996 Farm Bill exempting producers from liability for certain deficiencies in collateral.

SEC. 1507. EXTENSION OF EXISTING ADMINISTRATIVE AUTHORITY REGARDING LOANS

Section 1507 extends authority for producers to repay marketing loans with commodity certificates.

SEC. 1508. ASSIGNMENT OF PAYMENTS

Section 1508 continues requirement of the 2002 Farm Bill that assignment must be done in accordance with USDA regulations.

SEC. 1509. TRACKING OF BENEFITS

Section 1609 continues requirement of the 2002 Farm Bill that the Secretary must track the benefits provided under titles I and II directly or indirectly to individuals and entities.

SEC. 1510. UPLAND COTTON STORAGE PAYMENTS

Section 1510 ends the practice of paying for upland cotton storage, handling and other costs associated with cotton going into the loan starting with the 2012 crop.

SEC. 1511. GOVERNMENT PUBLICATION OF COTTON PRICE FORECASTS

Section 1511 ends the current prohibition on the publication of cotton price forecasts.

SEC. 1512. MANDATORY REPORTING FOR PEANUTS.

Establishes a mandatory program for reporting information, including prices and quantities purchased, regarding the marketing of peanuts.

TITLE II – CONSERVATION

SUBTITLE – A CONSERVATION PROGRAMS OF THE FOOD SECURITY ACT OF 1985.

SEC. 2101. CONSERVATION RESERVE PROGRAM.

- CRP is extended until 2012. Secretary is given authority to address issues raised by State, regional and national conservation initiatives.
- Extends maximum enrollment period to 2012. Strikes specific enumeration of Pennsylvania, Maryland and Virginia, but maintains Chesapeake Bay Region as a Conservation Priority Area.
- Extends Pilot Program for Enrollment of Wetland and Buffer Acreage in CRP to 2012.
- Allows a producer to conduct prescribed grazing for the control of invasive species on CRP lands. The Secretary must reduce the rental payment and require a management plan.
- Requires NASS to survey annually the per-acre estimates of county average market dry-land and irrigated cash rental rates for all counties with 20,000 acres or more of crop and pastureland. These surveys will be kept on the USDA website and made available to the public.
- Allows the Secretary to modify a CRP contract to facilitate the transition of CRP land from a retiring owner to a beginning, limited resource or socially disadvantaged farmer or rancher in order to return some or all of the land to sustainable grazing or crop production. Also allows the beginning or disadvantaged farmer or rancher to make land improvements and to begin the organic certification process one year before the CRP contract expires.

- Requires the retiring landowner to sell or lease the CRP land to the beginning or disadvantaged farmer for production purposes, requires the beginning or disadvantaged farmer to develop and implement a comprehensive conservation plan, allows the beginning or disadvantaged farmer to enroll in CSP or EQIP upon taking ownership of the land, and provides payments to retiring owner/operator for an additional two years after the contract terminates.
- Allows a beginning, limited resource or socially disadvantaged farmer or rancher to reenroll a partial field practice that is eligible for continuous sign up and part of a comprehensive conservation plan.
- Allows the Secretary to terminate a contract that has been in effect for 5 years at any time.

SEC. 2102. WETLAND RESERVE PROGRAM.

- The new purposes of WRP are to restore, create, protect or enhance wetlands on eligible lands and for the Secretary to purchase floodplain easements.
- Increases the maximum enrollment to 3,775,000 (3,605,000 in MA) acres .The goal shall be to enroll 250,000 acres a year; of this amount, 10,000 acres shall be enrolled as floodplain easements; changes the limitation from the calendar year to the fiscal year.
- Flood plain lands are eligible if the land has been damaged by flooding at least once in the preceding calendar year or has been damaged by flooding at least twice in the past 10 years or the enrollment of other land within the floodplain would aid in flood storage, flow or erosion control.
- Flood plain lands where restoration practices would not be productive or is subject to an existing easement or deed restriction which provides protection or restoration of the flood plain's functions or values are not eligible.
- Fair market value shall be determined by the lowest amount determined by using a percentage of fair market value based on the Uniform Standards for Professional Appraisals Procedures, a percentage of market value, a geographic cap, or the offer made by the landowner.
- USDA shall share the cost of necessary maintenance activities in addition to other activities in the plan if it's in the public interest.
- The Secretary may pay not more than 50% of the actual management costs of up to 1,500,000 acres of wetlands in the WRP to undertake maintenance activities.
- When considering easement offers for flood plains, the Secretary may consider whether the purposes of the easement program would be achieved on the land; whether the land has been repeatedly flooded; the extent to which the easement would help restore or manage the land surrounding the flood plain; and other factors.
- When considering easement offers for flood plains, the Secretary may consider the extent to which the program purposes will be achieved, the productivity of the land, and the environmental threats if the land is farmed.
- WRP is authorized through FY 2012.

SEC. 2103. CONSERVATION SECURITY PROGRAM.

- No new contracts may be entered into under the previous CSP. However, payments and modifications to existing contracts may be continued to be made until those contracts expire. Modification on old CSP contracts may conform to old or new CSP requirements at the option of the producer.
- A new Conservation Security Program shall go into effect for FY 2012 through 2017.

- The new program collapses the tier-based payment structure and replaces it with a stewardship enhancement payment
- The new CSP helps producers comprehensively address priority resources of concern. The Secretary shall ensure that no more than 5 priority resources of concern are identified at the State level which include environmental or wildlife habitat concerns affected by farming.
- In order to participate, a producer must already be addressing at least one priority resource of concern to the minimum level of management intensity and have an approved conservation offer.
- A producer or entity may not receive more than \$150,000 in stewardship enhancement payments over the 5 year term of a contract.
- Private agricultural land and land owned by Tribes is eligible. Lands enrolled in CRP, WRP, and GRP are not eligible. CSP payments may not be based on land that had not been in production 4 of the 6 years prior to Oct. 1, 2011. Lands that had been in production during this period may be the basis of payments if they were enrolled in CRP or were used for long-term crop rotation practices.
- Acceptable economic uses of CSP land are those that maintain the agricultural nature of the land and are consistent with the goals of the program.
- CSP contracts shall be for 5 year terms.
- All of the acres of the agricultural operation under the producer's control shall be covered by the contract.
- The contract shall include a conservation plan, describe the land, state the amount of the annual enhancement payment, and describe new practices the producer agrees to implement to increase the level of management intensity addressing a priority resource of concern.
- A contract may include on-farm research and demonstration activities and pilot testing of new practices.
- The producer may modify a contract before its expiration if the Secretary finds that a failure to modify would significantly interfere with achieving the purposes of the program.
- A producer may terminate the contract if the Secretary finds that termination would not defeat the purposes of the plan.
- The Secretary may terminate the contract if the producer violated the contract.
- The Secretary can allow one, 5-year renewal if the producer complied with the terms of the contract and agrees to maintain the practices in order to increase the management intensity of existing contracts.
- Contracts shall include a provision indemnifying the producer in cases of contract violations due to circumstances beyond their control.
- In evaluating offers, the Secretary shall consider the extent of anticipated environmental benefits relative to the cost, the extent the producer proposes to increase the level of performance or management intensity, and the extent to which environmental benefits complement other efforts in the watershed or region. The Secretary may use other criteria to ensure national State and local priorities are addresses.
- A producer must agree to implement the plan, maintain and present records of implementation to the Secretary if requested, and not engage in any activity that would interfere with purposes of the program.

- A producer may transfer the duties and rights under a CSP to a new landowner if the Secretary is appropriately notified. Otherwise, all CSP duties and rights will be terminated with the transfer.
- If a producer violates a term of the contract, that warrants a termination, the producer must forfeit all rights to receive payments and refund all or a portion of the payments already received. If the violation does not warrant termination, the Secretary can adjust or require a refund of payments received.
- The Secretary shall develop resource specific indices to measure the management intensity with which resources of concern are addressed to determine eligibility and payments under the program.
- A stewardship enhancement payment shall be made after Oct. 1 of each fiscal year. The payment shall not cover design, construction or maintenance of animal waste storage facilities or transport or practices which have no net cost or loss of income to the producer.
- The payment shall compensate the producer for ongoing implementation and maintenance measures in place at the time the contract is accepted and the adoption of new practices or improvements to existing practices.
- The payment amount shall be based on a portion of the actual costs, income forgone, and resource specific indices.
- In allocating funds among states, the Secretary shall consider the environmental needs associated with agriculture in each state and the degree to which the Program will help address those needs.
- Technical assistance shall be provided to producers from FY '08 through '17 in an amount not to exceed 15 per cent of the amounts expended for the fiscal year.
- Data shall be maintained to allow for quantification of the payment uses and amounts.

SEC. 2104. GRASSLAND RESERVE PROGRAM.

- At least 60 per cent of the acres enrolled through the program shall be through the use of long-term agreements and permanent easements
- Land may be enrolled in both the CRP and GRP if the Secretary determines it is of high ecological value and under significant threat of conversion. The number of CRP acres enrolled in a calendar year shall not exceed 10 percent of the total number of acres enrolled in GRP for that same year. Land enrolled in GRP shall not be eligible for CRP payments.
- Fair market value shall be determined by the lowest amount calculated using a percentage of fair market value based on the Uniform Standards for Professional Appraisals Procedures, a percentage of market value, a geographic cap, or the offer made by the landowner.
- Authorizes the Secretary to enter into agreements with States and political subdivisions to advance the purposes of the GRP.
- Allows a private organization or State to own, write or enforce an easement if it promotes protection of grassland, is authorized by the owner, and the organization or State assumes the costs of enforcing or administering the easement. The Secretary retains the right to inspect or enforce the easement.

Sec. 2105. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

- The purpose of EQIP is amended to include the promotion of forest management, organic transition and energy conservation as compatible goals with environmental quality.

- The definition of land management practice is changed to include forest management and silvicultural practices. Such a practice may involve the coordination of multiple landowners.
- Forest management practices are defined as activities that may be needed to improve water quality, increase in-stream flows, restore forest biodiversity, or control invasive species.
- Alpaca is added to the definition of livestock.
- Reauthorizes cost-share and incentive payments through 2012.
- Expands the activities for which a producer can receive incentive payments to include technical services from an approved third party provider, energy efficiency improvements and the implementation of renewable energy systems.
- The Secretary shall increase the cost share provided to a limited resource, socially disadvantaged, or beginning farmer or rancher to 90 per cent of the cost of the practice.
- The Secretary shall set incentive payments in an amount and rate necessary to encourage producers to perform one or more practices, receive technical services, develop a comprehensive nutrient management plan, or implement energy efficiency improvements or renewable energy systems. In determining the amount of such payments, great significance may be accorded to practices that promote pollinator habitat, among other practices preexisting in law.
- Extends 60% allocation of cost-share and incentive payments for livestock production practices through FY 2012.
- During at least the first 90 days of each period for which incentive and cost-share funds are available, at least 5 per cent of those funds shall be reserved for beginning farmers and ranchers, and at least 5 percent shall be reserved for socially disadvantaged and limited resource farmers and ranchers.
- Livestock market agencies and custom feeding businesses shall be eligible for assistance under this program.
- Changes the evaluation of applications for cost-share and incentive payments. The Secretary is directed to prioritize applications based on: overall cost-effectiveness and the effectiveness and comprehensiveness of the project in addressing designated resource concerns. The Secretary shall develop evaluation criteria to ensure that national, State and local priorities are addressed. The Secretary shall evaluate applications with those which address conservation activities for similar agriculture operations.
- The evaluation process must be as streamlined as possible for applications that involve operations with substantial and sound management systems and seek a single or limited number of practices to improve the performance of that system.
- Duties of producers: Practices prohibiting the receipt of payments are extended to forest land.
- Plan requirements: The program plan requirements are changed to include program practices, terms and conditions to implement the program, a description of purposes, a comprehensive nutrient management in the case of CAFOs, or a forest management plan or other plan approved by the forester in the case of forest lands.
- To avoid duplication, the Secretary may consider a water or air quality permit as the equivalent of a plan of operations.
- Special rules for water conservation: the Secretary may provide assistance for water conservation or irrigation only if the assistance will yield a net savings in total or consumptive use of ground or surface water affected by the practice and will not result in an increase of water use by the agriculture operation.

- Conservation Innovation Grants: forest management is added as an eligible grant activity.
- Eligible projects include those which ensure the efficient and effective transfer of technologies and provide benefits through increased participation of specialty crop producers.
- A new pilot program for the Chesapeake Bay watershed is established to assist producers in comprehensive planning before they submit applications for any of the conservation programs. Assistance may be provided through certified third party providers. Assistance under this pilot is intended to help the producer choose the appropriate type of financial assistance that would address the resource needs of their farm consistent with the goals of the area where the farm is located. A report on the effectiveness of the pilot shall be published.
- Conservation Innovation grants shall be funded with \$20,000,000,000 from EQIP for each of FY 2008-2012. Of this amount, \$5,000,000 each fiscal year shall be used for outreach for organic and specialty crop producers and \$5,000,000 for each fiscal year shall be available for the comprehensive conservation planning pilot program.
- (STRIKE IN MA)For FY '08 through '12, 10 per cent of EQIP funds shall be disbursed as bonus allocations to States with high level of performance in implementing the program. Factors to be considered include: efficiency of program delivery, timely practice implementation; achieving outcomes; encouraging cost-effective practices; and the involvement of multiple producers in a coordinated way to meet air quality requirements.

SEC. 2106. REGIONAL GROUND AND SURFACE WATER ENHANCEMENT PROGRAM.

- Changes the purpose of the existing ground and surface water conservation program to allow cooperative agreements between the Secretary, producers, government entities and Tribes in achieving regional water quality and quantity goals in water quality priority areas.
- Water quality and quantity priority areas are areas where protecting or improving water quality and quantity is a priority. The Chesapeake Bay, the Upper Mississippi River basin, the Everglades and the Klamath River basin are priority areas.
- Proposal must include a description of the exact geographic area, identification of water quality or quantity issues of concern; a method of determining a baseline assessment; a description of proposed activities; performance measures; other regional water enhancement activities carried out by the Secretary and partners through other means.
- Proposals will be awarded competitively based on the inclusion of the most lands and producers; the most activities versus costs; contribution to sustaining or enhancing agricultural production or rural economic development; development of performance measures to measure long term effectiveness; the capture of surface water runoff; and the participation of multiple interested persons in improving issues of concern.
- Grants may not exceed 5 years, and may be terminated if performance measures are unmet.
- \$60,000,000 will be available for each fiscal year 2008-2012. No more than 3 per cent may be used for administrative expenses.

Sec. 2107. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.

- Increases appropriations authorization from \$5,000,000 each fiscal year to \$20,000,000 each fiscal year through 2012. A one time infusion of \$10,000,000 shall be available until expended.

Sec. 2108. CONSERVATION OF PRIVATE GRAZING LAND.

- Extended through 2012.

SEC. 2109. GREAT LAKES BASIN PROGRAM FOR SOIL EROSION AND SEDIMENT CONTROL.

- Extended through 2012.

SEC. 2110. FARM AND RANCLAND PROTECTION PROGRAM.

- Adds forest land that is incidental to a farm as eligible land. Changes the definition of eligible land to no longer specifically include land that has prime, unique or other productive soil or is subject to a pending offer for purchase from an eligible entity.
- A State or local entity is “qualified” under the terms of the program if it has provided funds to purchase perpetual easements or other interests in land on at least 10 properties over a period of at least 3 calendar or fiscal years; the entity is authorized under State law and has the capacity to monitor and enforce easements or other interests in land in perpetuity; and the entity has control policies to assure that the average purchase of easements and other interests in land do not exceed fair market value.
- The new program allows the Secretary to facilitate such purchases by eligible entities. Priority shall be given to protecting the farm and ranch land with prime soils that are at risk of development or projects that further a State or local policy consistent with the program.
- Grants shall be made to eligible entities based on demonstrated need for farm and ranch land protection, and may be made for multiple transactions in purchasing easements or other interests in land. Up to 10 per cent of grant monies may be used for reasonable costs of purchasing easements and easement enforcement.
- The Secretary shall establish a process to certify eligible entities. Certification requirements must at a minimum include a legislative or organizational purpose consistent with the program; experience acquiring easements to protect agricultural lands; experience providing stewardship of such easements; authority and technical ability to enforce easements; capacity to provide matching funds; ways to ensure that the average purchase price does not exceed fair market value; ways to ensure that easements protect agricultural use; provision for continued stewardship should the entity cease to exist or fail in its monitoring and enforcement. Certification shall be reviewed every three years and may be revoked if it fails to meet the qualifications.
- Under the agreement between the qualified entity and the Secretary, the entity may use a combination of its own funds and funds provided by the Secretary to purchase easements. The agreement may stipulate how the entity uses funds provided by the Secretary. However, the agreement must allow the qualified entity to determine its own criteria and priorities in purchasing easements and use its own terms and conditions for easement purchases. The terms and conditions must be consistent with the purposes of the program; include a requirement consistent with agricultural activities regarding impervious surfaces; and require the use of a plan for any highly erodible cropland subject to an easement.
- There is no federal contingent right of enforcement or reversionary interest in the purchase of the easement or interest in land.
- A conservation plan is required for any cropland for which an easement or other interest is purchased. If the easement or interest is perpetual, the Secretary may not require the

conversion of the cropland to less intensive uses if soil erosion can be reduced to a “T” or below under the plan.

SEC. 2111. FARM VIABILITY PROGRAM.

- Reauthorized through 2012.

SEC. 2112. REAUTHORIZATION OF THE WILDLIFE HABITAT INCENTIVE PROGRAM.

- The program is authorized through 2012.
- The limitation for cost-share payments is raised from 15 per cent to 25 per cent for long-term easements.

SUBTITLE B – CONSERVATION PROGRAMS UNDER OTHER LAWS.

SEC. 2201. AGRICULTURAL MANAGEMENT ASSISTANCE PROGRAM.

- Adds Virginia and Hawaii as eligible States.
- 50% of available funds shall be used for construction or improvement of watershed management or irrigation structures, planting trees for windbreaks or improving water quality, and mitigating risk through diversification or various conservation practices; 40% may be used for any activity relating to the previously mentioned activities, including entering ag trade options, futures, or hedging; and 10% shall be used for organic certification cost share assistance.

SEC. 2202. RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM.

- Clarifies that an area plan must be developed through a locally led process, and that the planning process must be conducted by a local council.
- Changes technical assistance services from providing assistance for long-term implementation to providing assistance for area plans and projects; also changes to providing services of USDA programs in a local community.
- The Secretary shall designate a coordinator to provide technical assistance to councils.
- The program evaluation requirement is repealed.

SEC. 2203. SMALL WATERSHED REHABILITATION PROGRAM.

- Provides \$50,000,000 in CCC funds per fiscal year for 2009 through 2012, pending contingency fund availability.
- Authorizes appropriations for fiscal years 2007 through 2012 at current funding level of \$85,000,000 per year.

SUBTITLE C – ADDITIONAL CONSERVATION PROGRAMS

SEC 2301. CHESAPEAKE BAY PROGRAM FOR NUTRIENT REDUCTION AND SEDIMENT CONTROL.

- Defines the Chesapeake Bay watershed as all tributaries, backwaters side channels and their watersheds which drain in to the Chesapeake Bay.
- Requires the Secretary to develop a comprehensive plan to restore and protect the bay watershed.

- The plan will provide for proven technologies and innovative approaches to improve water quality and quantity; restore, enhance and preserve wildlife habitat; and increase economic opportunity for rural communities and producers.
- The plan must be developed in consultation with relevant federal agencies, and must be provided to Congress two years after this bill's enactment.
- Critical projects include those in the Susquehanna, Shenandoah, Potomac and Patuxent Rivers.
- A total of \$100,000,000 is authorized to be appropriated over fiscal years 2008 through 2012. The federal share for any individual project shall not exceed \$5,000,000, and the non-federal share shall be at least 35%.
- It is the sense of Congress that USDA is authorized and should be a member of the Chesapeake Bay Executive Council.

Sec. 2302. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.

- Establishes a voluntary public access programs under which States and Tribes may apply for grants to encourage owners and operators of privately held farm, ranch and forest land to make that land available for wildlife-dependent recreation.
- Authorizes \$20,000,000 per year in appropriations.

SUBTITLE D – ADMINISTRATION AND FUNDING.

SEC. 2401. FUNDING OF PROGRAMS UNDER THE FOOD SECURITY ACT OF 1985.

- CSP: CSP contracts entered into before Oct. 1, 2007 shall be funded in the amount of \$1,454,000,000 for FY 2007 through 2012 and \$1,927,000,000 for FY 2007 through 2017. CSP contracts entered into on or after Oct. 1, 2011, shall be funded in the amount of \$501,000,000 for FY 2012 and \$4,646,000,000 for the period of FY 2013 through 2017.
- Farm and Ranchland Protection Program: \$125,000,000 in FY '08, \$150,000,000 in FY '09, \$200,000,000 in FY '10, \$250,000,000 in FY '11, and \$300,000,000 in FY '12.
- EQIP: \$1,500,000,000 in FY '08, \$1,600,000,000 in FY '09, \$1,700,000,000 in FY '10, \$1,800,000,000 in FY '11 and \$2,000,000,000 in FY '12.
- WHIP is funding is continued through 2012 at \$85,000,000 each FY.

SEC. 2402. IMPROVED PROVISION OF TECHNICAL ASSISTANCE UNDER CONSERVATION PROGRAMS.

- Allows the Secretary to contract with an approved third party, or provide payment directly to an approved third party to provide technical services.
- The amount of payment provided shall be at least equal to prevailing market rates, except where USDA personnel are available to provide comparable services.
- The Secretary is to direct each State to review and make sure that technical assistance specifications are complete and relevant. In its assessment, the State must consult with specialty crop producers, crop consultants, cooperative extension and land grant universities, NGO's and other qualified entities. If revisions to the specifications are necessary, the State must set up an expedited process for making those changes.
- In order to address concerns of specialty crop growers, the technical assistance specifications must allow the range of conservation practices and mitigation measures available to specialty crop growers.

- To provide adequate technical assistance to specialty crop growers, the Secretary must develop programs that meet the needs of specialty crop growers using cooperative agreements with other federal agencies and NGOs, and include program specifications that allow the use of local resources in providing technical assistance.

SEC. 2403. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

- The paragraphs under “Administration of CCEP” Sec. 1243 of the ’85 Act regarding acreage limitations for CRP and WRP, tenant protections, and technical assistance provided by other sources are moved to the end of the next section, Sec. 1244 “Administrative Requirements for Conservation Programs.”
- “Administration of CCEP” is renamed “Cooperative Conservation Partnership Initiative.”
- The Secretary will enter into 2 to 5 year agreements with eligible entities to preferentially enroll producers in specified conservation programs. This will allow multiple producers and others to cooperate on improving specific resources of concern related to farming on a local, State or regional scale. These agreements are also intended to increase participation of specialty crop growers in conservation programs.
- CSP, EQIP, and WHIP are all programs covered by this section.
- Eligible partners are States, State agencies, State subdivisions including counties and conservation districts, Tribes, NGOs and associations with histories of working with farmers on agriculture conservation issues.
- Grants and agreements will be awarded under a competitive process. Not more than 25% of the cost share shall come from non-federal sources. However, a project that offers to cover a higher percentage of the costs may be given a higher priority.
- Of the funds provided for CSP, EQIP, and WHIP, 10% shall go towards grants and agreements. 90% of these funds shall allow for State Conservationists, with the advice of State Technical Committees, to select projects at the State level.

SEC. 2404. REGIONAL EQUITY AND FLEXIBILITY.

- Raises the base amount of conservation funds that a State must receive in order to receive priority funding for conservation programs from \$12,000,000 to \$15,000,000.

SEC. 2405. ADDITIONAL REQUIREMENTS FOR CONSERVATION PROGRAMS.

- Socially disadvantaged farmers are added as a group the Secretary must provide incentives for to encourage participation in conservation programs.
- As additional administrative requirements (1244), the Secretary must establish a single, simplified application process for initial requests of assistance. Applicants should not be required to provide information that is already available to the Secretary, and the process itself must minimize complexity and redundancy.

SEC. 2406. ANNUAL REPORT ON PARTICIPATION BY SPECIALTY CROP PRODUCERS IN CONSERVATION PROGRAMS.

- The Secretary must submit a report to the House and Senate Agriculture Committees regarding specialty crop producer participation in conservation programs that tracks participation by crop and livestock type, includes a plan to improve access of specialty crop producers to conservation programs, and describes the results of this plan.

SEC. 2407. PROMOTION OF MARKET-BASED APPROACHES TO CONSERVATION.

- The Secretary may research, analyze and enter into contracts and agreements to promote the development of uniform standards for quantifying environmental benefits, promoting the establishment of credit registries and third party verification, and facilitating private sector market based approaches for agriculture and forest conservation activities.
- The Environmental Services Standards Board is established to develop uniform standards for quantifying environmental services in order to help develop credit markets agriculture and forest conservation activities.
- Board members will be: The Secretaries of Agriculture, Interior, Energy, Commerce, Transportation, the Administrator of EPA, the Commander of the Army Corp of Engineers, and anyone selected by the President.
- Performance standards set by the Board may be adopted by Federal agencies to quantify environmental services or establish environmental and conservation credits.
- \$50,000,000 is authorized to be appropriated for this section.

SEC. 2408. ESTABLISHMENT OF STATE TECHNICAL COMMITTEES.

- Changes the existing composition of State technical committees to include NRCS, FSA, and at least 12 producers representing a variety of crops, livestock or poultry grown in the State. Removes the Soil Conservation Service, the Ag Stabilization and Conservation Service, the Farmers Home Administration, other agency personnel with relevant expertise, and persons knowledgeable about conservation as representatives who may serve on the Committee.
- The State technical committees shall convene subcommittees to provide technical guidance and implementation recommendations.

SUBTITLE E MISCELLANEOUS PROVISIONS.

SEC. 2501. INCLUSION OF INCOME FROM AFFILIATED PACKING AND HANDLING OPERATIONS AS INCOME DERIVED FROM FARMING FOR APPLICATION OF ADJUSTED GROSS INCOME LIMITATION ON ELIGIBILITY FOR CONSERVATION PROGRAMS.

- Allows income from packing and handling operations to be included as income derived from farming for purposes of payment eligibility.

SEC. 2502. ENCOURAGEMENT OF VOLUNTARY SUSTAINABILITY PRACTICES GUIDELINES.

- The Secretary may encourage the development of voluntary sustainable practices guidelines for producers and processors of specialty crops.

SEC. 2503. FARMLAND AND RESOURCE INFORMATION.

- The Secretary shall design and implement educational programs emphasizing the importance of farming. One or more farmland information centers shall be designated to provide technical assistance and serve as central depositories for information on farmland issues.
- This section shall be funded using no more than .05 per cent of FRPP funds per year, and no less than \$400,00 annually and must be matched with non-federal funds or in-kind contributions.

TITLE III—TRADE

SECTION 3001. AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

Subsection (a) amends the purposes of the Food for Peace program to clarify that food deficits to be addressed include those resulting from man made and natural disasters.

Subsection (b) increases the maximum percentage of title II funding that the AID Administrator may make available to eligible organizations for administrative and distribution costs from 10% to 12%. Also expands the purposes for which such funds may be used to include developing monitoring systems for title II programs.

Subsection (d) extends provisions establishing a minimum level of assistance of 2.5 million metric tons of commodities, of which 1.875 million metric tons is reserved for non-emergency aid (subject to waiver by the Administrator).

Subsection (e) extends the Food Aid Consultative Group, which reviews the effectiveness of the rules governing title II programs. (The Group is composed of representatives from AID, USDA, Private Voluntary Organizations, recipient countries, and US agricultural producer groups.)

Subsection (f) requires the AID to state a reason if it denies an eligible organization's proposal to enter into a non-emergency food assistance agreement.

Subsection (g) requires AID to establish and report on systems to improve and evaluate title II assistance, including early warning systems to prevent famines.

Subsection (h) allows AID to contribute to the World Food Program to cover administrative costs.

Subsection (i) extends the authorization for AID grants for stockpiling and distribution of shelf stable foods. Increases funding for such grants from \$3 million to \$7 million.

Subsection (j) extends the authorization for AID to use title II and title III funds to procure, transport, and store agricultural commodities for propositioning, and increases the limit on how much may be used to preposition such commodities overseas from \$2 million to \$8 million.

Subsection (k) amends requirements of the report the President must prepare on food aid programs that are carried out under the Act.

Subsection (l) extends the Act through 2012.

Subsection (m) extends the micronutrient fortification program, which allows AID to provide fortified commodities to participating recipient countries.

Subsection (n) provides a floor level of funding for the farmer to farmer program of \$10 million and extends the program through 2012. Also increases authorization of appropriations for the program from \$10 million to \$15 million.

SECTION 3002. EXPORT CREDIT GUARANTEE PROGRAM.

Repeals the supplier credit guarantee program and intermediate credit guarantee program and lifts the 1% origination fee cap. The remaining program would provide guarantees for repayment of short-term financing (six months to three years) extended to eligible countries that purchase US farm products.

SECTION 3003. MARKET ACCESS PROGRAM.

Extends the Market Access Program, which promotes US exports through consumer promotions, market research, technical assistance, and trade servicing. Also increases funding by \$25 million annually.

SECTION 3004. FOOD FOR PROGRESS ACT OF 1985.

Extends through 2012 the Food for Progress Act, which provides commodities to support countries that have made commitments to expand free enterprise in their agricultural economies.

SECTION 3005. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.

Extends through 2012 the McGovern-Dole International Food for Education and Child Nutrition program, which uses commodities and financial and technical assistance to carry out food for education programs and maternal, infant and child nutrition programs in foreign countries.

SECTION 3006. BILL EMERSON HUMANITARIAN TRUST.

Extends the Bill Emerson Humanitarian Trust through 2012. a reserve of up to 4 million metric tons of wheat, corn, sorghum, and rice that can be used to help fulfill P.L. 480 food aid commitments to developing countries under two conditions: (1) to meet unanticipated emergency needs in developing countries, or (2) when US domestic supplies are short. Since 1980, the only commodity held in reserve has been wheat. The trust can also hold cash in reserve.

SECTION 3007. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.

Extends Technical assistance for specialty crops through 2012 and increases funding from \$2 million annually to \$4 million in 2008, ramping up to \$10 million for 2011 and 2012.

SECTION 3008. TECHNICAL ASSISTANCE FOR THE RESOLUTION OF TRADE DISPUTES.

Provides USDA broad discretionary authority to provide enhanced monitoring, technical assistance, and analytical support to limited resource agriculture groups to address unfair trade practices of foreign countries.

SECTION 3009. REPRESENTATION BY THE UNITED STATES AT INTERNATIONAL STANDARD-SETTING BODIES.

Authorizes the Secretary to enhance USDA staff support for international standard-setting bodies, such as the *Codex Alimentarius*, the International Plant Protection Convention, and the World Animal Health Organization.

SECTION 3010. FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.

Extends through 2012 the Foreign market development cooperator program, which promotes exports of US agricultural commodities by providing technical assistance, trade servicing, and market research.

SECTION 3011. EMERGING MARKETS.

Extends through 2012 the Emerging Markets program, which promotes exports of US agricultural commodities and products to countries taking steps toward a market-oriented economy that have the potential to become significant markets.

SECTION 3012. EXPORT ENHANCEMENT PROGRAM.

Extends through 2012 the Export Enhancement Program, under which US exporters bid for bonuses that effectively lower the sales price of commodities.

TITLE IV-NUTRITION PROGRAMS
SUBTITLE A—FOOD STAMP PROGRAM

SEC.4001.RENAMING THE FOOD STAMP PROGRAM.

Amends the Food Stamp Act by renaming the Food Stamp Program the “Secure Supplemental Nutrition Access Program”.

SEC.4002. FOOD DISTRIBUTION ON INDIAN RESERVATIONS.

- Authorizes the distribution of commodities, with or without the Secure Supplemental Nutrition Assistance Program, on Indian reservations whenever a request is made for concurrent or separate food program operations by a tribal organization.
- Prohibits the Secretary from approving plans that permit any household on an Indian reservation to participate simultaneously in the Secure Supplemental Nutrition Assistance Program and the distribution of federally donated foods.
- Authorizes an appropriation of \$5 million for fiscal years 2008 through 2012 for a fund to distribute traditional and locally-grown foods on Indian reservations; requires that 50 percent of the appropriated funds be used to purchase food from Native American farmers, ranchers, and producers.
- Authorizes the Secretary to submit to Congress a report on the Food Distribution on Indian Reservation Food package.

SEC.4003.DEOBLIGATE FOOD STAMP COUPONS.

- Amends the Food Stamp Act to prohibit States from issuing coupons, stamps, certificates or authorization cards, effective upon enactment of the 2007 Farm Bill.
- Provides that effective one year after enactment of the 2007 Farm Bill, only EBT cards will be eligible for exchange at retail food stores, and further provides that coupons will no longer be an obligation of the Federal government effective one year after enactment of the Farm Bill, thereby requiring that coupons be redeemed within that one-year period.

SEC.4004. ALLOW FOR THE ACCRUAL OF BENEFITS.

Amends the Food Stamp Act by authorizing State agencies to establish procedures for recovering electronic benefits from a household due to inactivity in the account. Under the provision, a State agency may recover such benefits if an account has been inactive for three months during which it continuously had a balance greater than \$1,000, or if the account has been inactive for twelve months, whichever is less.

SEC.4005.STATE OPTION FOR TELEPHONIC SIGNATURE.

- Authorizes State agencies to establish a system for applicant households to sign an application by providing a recorded, verbal assent over the telephone.
- The provision sets requirements for such a system, including that a system records the verbal assent, as well as the information to which the assent was given.
- The State system must include safeguards against impersonation and identity theft; does not preclude the right of a household to apply in writing; if there any errors, applicants return a copy of the completed application with instructions correcting the errors; and applicants must satisfy all requirements associated with a written signature on an application to ensure that the verbal assent triggers the effective date of the submission of the application.

SEC.4006. REVIEW OF MAJOR CHANGES IN PROGRAM DESIGN.

Amends the Food Stamp Act to specify the State agency employees that are authorized to represent the State in any communications with prospective food stamp applicants, food stamp applicants, or recipient households; participate in making determinations regarding a household's compliance with the Food Stamp Act; or make any other determinations required under this subsection.

SEC.4007.GRANTS FOR SIMPLE APPLICATION AND ELIGIBILITY DETERMINATION SYSTEMS AND IMPROVED ACCESS TO BENEFITS.

Extends, through 2012, the authority of the Secretary to make grants available to pay the costs for eligible entities to develop and implement:

- simple food stamp application and eligibility determinations; or
- measures to improve access to benefits by eligible households.

SEC.4008.CIVIL MONEY PENALTIES AND DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

- Increases the civil money penalty for retail stores and wholesale food concerns to \$100,000 for violations that the Secretary determines would cause hardship to food stamp households.
- Changes the period of a disqualification for a first violation to a period that is “not to exceed five years”. [Current law sets the period for a first violation as “no less than six months nor more than five years”].
- Changes the period of a disqualification for a second violation to a period that is “not to exceed ten years”. [Current law sets the period for a second violation as “no less than twelve months nor more than ten years”].
- Requires the Secretary, in consultation with USDA’s Inspector General, to establish procedures whereby retail food stores and wholesale food concerns may be immediately suspended – pending an administrative appeal – from participating in the food stamp program.

SEC.4009. PREVENTING MAJOR SYSTEMS FAILURES.

Amends the disposition of claims under the Food Stamp Program, providing the Secretary with the discretion to determine that a State agency over issued benefits to a substantial number of households as the result of a systemic error by the State. Upon making such a determination, the Secretary may prohibit the State from collecting the over issuances from the households and require the State to reimburse the Secretary for the over issuances.

SEC.4010.FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.

Amends the Food Stamp Act by extending to 2012 funds provided to States for employment and training programs for food stamp recipients.

SEC.4011.REDUCTIONS IN PAYMENTS FOR ADMINISTRATIVE COSTS.

Extends through 2012, Section 16(k)(3) of the Food Stamp Act, which provides that the Secretary of Agriculture reduce payments to States for administrative costs associated with the food stamp program, in the amount which States are reimbursed under the Social Security Act for administering such program.

SEC.4012. CASH PAYMENT PILOT PROJECTS.

Extends through October 1, 2012, pilot projects that improve the delivery of food stamp benefits, which have been operating since October 1981 and involve cash payments to households whose members are 65 years or over or entitled to supplemental security income benefits.

SEC.4013.FINDINGS OF CONGRESS REGARDING SECURE SUPPLEMENTAL NUTRITION EDUCATION.

Encourages the Secretary of Agriculture to support and encourage the most effective interventions for nutrition education under the Food Stamp Act, including public health approaches and traditional education, to increase the likelihood that recipients and potential recipients of benefits under the Secure Supplemental Nutrition Assistance Program choose diets and physical activity practices that are consistent with the Dietary Guidelines for Americans.

SEC.4014.NUTRITION EDUCATION AND PROMOTION INITIATIVE TO ADDRESS OBESITY.

Authorizes the Secretary to establish a demonstration program to develop and implement strategies to reduce obesity among low-income Americans.

SEC.4015.AUTHORIZATION OF APPROPRIATIONS.

Reauthorizes appropriations to carry out the Food Stamp Act through 2012.

SEC.4016.CONSOLIDATED BLOCK GRANTS FOR PUERTO RICO AND AMERICAN SAMOA.

Amends the Food Stamp Act by extending to 2012 block grants to Puerto Rico and American Samoa to administer their nutrition assistance programs.

SEC.4017.STUDY ON COMPARABLE ACCESS TO FOOD STAMP BENEFITS FOR PUERTO RICO.

Amends the Food Stamp Act by requiring the Secretary to conduct a study on the feasibility of including Puerto Rico in the Food Stamp Program. [Note: In 1982 Puerto Rico replaced the Food Stamp Program with a block grant program, called the Nutrition Assistance Program].

SEC.4018. REAUTHORIZATION OF AND INCREASED FUNDING FOR COMMUNITY FOOD PROJECT COMPETITIVE GRANTS.

- Authorizes an appropriation of \$30 million for each of the fiscal years 2008 through 2012 to assist eligible nonprofit entities to establish and carry out community food projects.

- Increases the Federal share of the cost of the grants from not greater than 50 percent to not greater than 75 percent of the cost of the project, and extends the maximum term of a grant from 3 to 5 years.
- Expands the list of preferences for selecting community food projects to include those projects that serve special needs in transportation and processing for emergency food service, access to underserved markets, integration of urban and metro-area food production, and technical assistance for youth, socially disadvantaged individuals, and groups with limited resources.

SUBTITLE B—COMMODITY DISTRIBUTION

SEC.4201.AUTHORIZATION OF APPROPRIATIONS.

Amends section 204(a)(1) of the Emergency Assistance Act, by increasing the authorization of appropriations to \$100 million for the direct and indirect costs to States related to the processing, storage, transporting, and distribution of commodities.

SEC. 4202.DISTRIBUTION OF SURPLUS COMMODITIES; SPECIAL NUTRITION PROJECTS.

Amends section 1141(a)(2)(A) of the Agriculture and Food Act, by extending through 2012 the availability of surplus commodities, to be made available without charge or credit, to nutrition projects under the authority of the Older Americans Act, to child nutrition programs providing food service, and to food banks participating in special nutrition projects.

SEC.4203.COMMODITY DISTRIBUTION PROGRAM.

- Extends, through 2012, the Secretary’s authority to purchase and distribute agricultural commodities for food assistance programs, including but not limited to institutions (including hospitals and facilities caring for needs of infants and children), supplemental feeding programs serving women, infants, and children or elderly persons, or both.
- Extends through 2012, the Commodity Supplemental Food Program (CSFP), which provides commodity packages to low-income pregnant and breastfeeding women, other new mothers up to one year postpartum, infants, children up to six years of age, and elderly people who are at least 60 years old.

SUBTITLE C—CHILD NUTRITION AND RELATED PROGRAMS

SEC.4301.PURCHASE OF FRUITS AND VEGETABLES FOR DISTRIBUTION TO SCHOOLS AND SERVICE INSTITUTIONS.

Amends section 10603 of the Farm Security and Rural Investment Act of 2002 to provide that the Secretary shall not spend less than \$50 million for each of fiscal years 2008 and 2009, and \$75 million for each of fiscal years 2010 through 2012 for purchasing fresh fruits and vegetables as part of the Richard B. Russell National School Lunch Program.

SEC.4302. BUY AMERICAN REQUIREMENTS.

Provides that the Department of Agriculture should undertake training, guidance, and enforcement of the various Buy American statutory requirements and regulations, including those of the National School Lunch Act and the DOD Fresh Program.

SUBTITLE D—MISCELLANEOUS

SEC.4401.SENIORS FARMERS’ MARKET NUTRITION PROGRAM.

- Extends the senior farmers’ market nutrition program at the current level of \$15 million annually, but authorizes the Secretary to use funds up to \$20 million for fiscal year 2008, \$30 million for fiscal year 2009, \$45 million for fiscal year 2010, \$60 million for fiscal year 2011, and \$75 million for fiscal year 2012, subject to availability.
- Provides that honey, in addition to fruits, vegetables and herbs, be included in the program.

SEC.4402.CONGRESSIONAL HUNGER CENTER.

- Establishes the Bill Emerson National Hunger Fellowship Program and the Mickey Leland International Hunger Fellowship Program in order to encourage future leaders of the United States to pursue careers in humanitarian and public service, to recognize the needs of low-income individuals, and to provide assistance to people in need. The Fellowship programs will seek public policy solutions to the challenges of hunger and poverty, and provide training and development opportunities for future leader.
- Authorizes the Secretary to contract with the Congressional Hunger Center to administer the Fellowship Programs to make Fellowships available.
- Authorizes appropriations in the amount of \$3 million for each of the fiscal years 2008 through 2012.

SEC.4403.JOINT NUTRITION MONITORING AND RELATED RESEARCH ACTIVITIES.

Authorizes the Secretary of Agriculture, along with the Secretary of Health and Human Services, to continue to provide jointly for national nutrition monitoring and related research activities.

TITLE V—CREDIT

SUBTITLE A—FARM OWNERSHIP LOANS

SEC.5001 (501). CONSERVATION LOAN GUARANTEE PROGRAM

- Amends section 304 of the Consolidated Farm and Rural Development Act (Con Act) by creating a conservation loan guarantee program. The program would allow the Secretary to provide loans and interest subsidies, or both, to farmers, ranchers, and other entities primarily and directly engaged in agricultural production to carry out conservation projects.
- Authorizes the Secretary to give priority to: qualified beginning farmers or ranchers; socially disadvantaged farmers or ranchers; owners or tenants who use the loans to convert to sustainable or organic agricultural production systems; and producers who use the loans to build conservation structures or establish conservation practices to comply with section 1212 of the Food Security Act of 1985.
- Limits the principal amount of a loan under the program to \$1 million.
- Authorizes an appropriation of such sums as necessary for each of the fiscal years 2008 through 2012 to carry out the program.

SEC.5002 (502) . LIMITATIONS ON AMOUNT OF OWNERSHIP LOANS

- Amends section 305(a)(2) of the Con Act, by increasing the farm ownership loan limit from \$200,000 to \$300,000
- Requires the Secretary to establish a plan to encourage borrowers to graduate to private commercial or other sources of credit.

SEC.5003 (503). DOWN PAYMENT LOAN PROGRAM.

- Amends section 310E of the Con Act, by including in the socially disadvantaged farmers and ranchers in the down payment loan program. [Current law authorizes the Secretary to establish the program for qualified beginning farmers and ranchers.]
- Fixes the interest rate for the program at 4 percent below the regular direct farm ownership interest rate or 1 percent, whichever is greater. [Current law sets the interest rate for the program at 4 percent].
- Increases the maximum price for the farm or ranch to be acquired from \$250,000 to \$500,000.
- Increases the Farm Services Administration portion of the loan from 40 percent to 45 percent.
- Increases the duration of the loan from 15 years to 20 years.
- Reduces the borrower down payment requirement from 10 percent to 5 percent.
- Authorizes the Secretary to establish annual performance goals to promote the use of the down payment loan program and other joint financing participation loans as the preferred choice for direct real estate loans made by lenders to qualified beginning farmers or ranchers or socially disadvantaged farmers or ranchers.

SEC.5004 (504).BEGINNING FARMER AND RANCHER CONTRACT LAND SALES PROGRAM.

- Amends section 310F of the Con Act, by expanding the beginning farmer and rancher contract land sales program to include socially disadvantaged farmer or ranchers.
- Makes the program permanent and expands it nationwide [current law mandates that the program be established as a pilot to be carried out in “not fewer than 5 states,” and authorizes the Secretary to guarantee up to five loans per state; the program is set to expire in 2007].
- Requires the qualified beginning farmer or rancher or socially disadvantaged farmer or rancher to put a down payment of 5 percent of the purchase price of the farm or ranch.
- Sets the maximum purchase price for the farm or ranch that is the subject of the contract land sale at \$500,000.
- Sets a 10-year period for the loan guarantee provided under this program.
- Gives the land seller the option of choosing either a 3-year guarantee or a standard 90 percent guarantee of the outstanding principal.

SUBTITLE B—OPERATING LOANS

SEC.5011 (511). LIMITATIONS ON AMOUNT OF DIRECT OPERATING LOANS

Amends section 313(a)(1) of the Con Act, by increasing the operating loan limit from \$200,000 to \$300,000 for a loan other than one guaranteed by the Secretary.

SEC.5012 (512). SUSPENSION OF LIMITATION ON PERIOD FOR WHICH BORROWERS ARE ELIGIBLE FOR GUARANTEED ASSISTANCE.

Amends section 5102 of the Farm Security and Rural Investment Act of 2002, by extending the suspension of the limitation for which borrowers are eligible for guaranteed assistance to January 1, 2008. [Current law sets the expiration at September 30, 2007].

SUBTITLE C—ADMINISTRATIVE PROVISIONS

SEC.5021 (521). INVENTORY SALES PREFERENCES

Amends section 335(c) of the Con Act by restoring priority to socially disadvantaged farmers and ranchers whenever the Secretary sells or leases property; requires the Secretary, whenever selling or leasing property, to ensure that socially disadvantaged farmers and ranchers are included in the process.

SEC.5022 (522). LOAN FUND SET-ASIDES

Amends section 346(b) of the Con Act by increasing from 70 to 75 percent for the amount of direct farm ownership loans that the Secretary is to reserve for beginning farmers and ranchers; includes, participation loans along with down payment loans, as the type of loans that the Secretary is to reserve for beginning farmers and ranchers; changes from 60 percent to 66 percent for the amount of direct farm ownership loans that are to be reserved for down payment and participation loans for beginning farmers and ranchers; increases from 35 to 50 percent for the amount of direct operating loans that are to be made available to beginning farmers and ranchers; increases from 25 to 40 percent for the amount of guaranteed farm ownership loans to be reserved for beginning farmers and ranchers.

SEC.5023 (523). TRANSITION TO PRIVATE COMMERCIAL OR OTHER SOURCES OF CREDIT

Amends section 344 of the Con Act by creating a new section, Section 345, which requires the Secretary, when making or insuring a real estate or operating loans, to establish regulations that have as their goal, the transitioning of borrowers to sources of credit, including private commercial credit, in the shortest practicable period of time.

SEC.5024 (524). EXTENSION OF THE RIGHT OF FIRST REFUSAL TO REACQUIRE HOMESTEAD PROPERTY TO IMMEDIATE FAMILY MEMBER OF BORROWER-OWNER

Amends section 352(c)(4)(B) of the Con Act by extending the right of first refusal to reacquire a homestead property to members of the immediate family of the borrower-owner—in the case of a socially disadvantaged farmer or rancher; allows for an independent appraisal of the property by an appraiser selected by the immediate family member of the borrower-owner—in the case of a socially disadvantaged farmer or rancher.

SUBTITLE D—FARM CREDIT

SEC.5031 (531). AGRIBUSINESS LOAN ELIGIBILITY

- Amends Farm Credit Act (FCA) to authorize Farm Credit banks, Production Credit Associations, and banks for cooperatives to provide credit and financial services to

agribusinesses only to the extent that their business activities are directly related to renewable energy.

- Requires that the business be primarily engaged in one of the following activities: processing, preparing for market, handling, purchasing, testing, grading, distributing, or marketing farm or aquatic products or one that is primarily engaged in furnishing farm or aquatic business services, or farm or aquatic supplies directly to farmers, ranchers, or harvesters of aquatic products.

SEC.5032 (532).LOAN-TO-ASSET VALUE REQUIREMENTS.

Amends section 1.10(a)(1)(C) of the FCA by allowing the Farm Credit Administration, through regulations, to allow loan-to-value requirements to exceed 97 percent in the case of government guaranteed loans. [Current law states that if a loan is guaranteed by a Federal, State, or other governmental agency, the loan may not exceed 97 percent of the appraised value of the real estate security, if authorized by Farm Credit Administration regulations.

SEC.5033 (533). POPULATION LIMIT FOR SINGLE-FAMILY HOUSING LOANS

Amends the FCA by changing the definition of rural area for loans and discounts and for short- and immediate-term loans, with respect to housing purposes, to a city or town that has population of greater than 6,000 inhabitants. [Current law restricts the definition to exclude any city or village having a population in excess of 2,500 inhabitants. The language retains provisions in current law that require all homes financed to be no more than moderately-priced, that they be single family, owner-occupied dwellings, and that no more than 15 percent of the Farm Credit System's portfolio].

SEC.5034 (534). BANK FOR COOPERATIVES VOTING STOCK

- Amends section 3.3(c) of the FCA to authorize the board of the bank for cooperatives to determine the terms and conditions for the issuance and transfer of bank voting stock to bank for cooperatives customers and other farm Credit System associations.
- Makes a conforming amendment to section 4.3A(c)(1)(D) of the FCA to add to the list of borrowers eligible to hold voting stock under the bylaws of the banks for cooperatives, persons and entities eligible to borrow from banks for cooperatives.

SEC.5035 (535). MAJORITY FARMER CONTROL REQUIREMENT.

Amends section 3.8(b)(1) of the FCA by clarifying that, in order for a cooperative to obtain financing from a bank for cooperatives, farmers must maintain majority voting control of the association and the farmer ownership class must operate on a cooperative basis.

SEC.5036 (536). BORROWER STOCK REQUIEMENT

Amends section 4.3A(c)(1)(E)(i) of the FCA by changing the requirement, as a condition of borrowing from a Farm Credit institution, that a borrower, at the time the loan is made is to acquire \$1,000 or 2 percent of the amount of the loan, whichever is less to an amount that is to be "determined by the institution."

SEC.5037 (537). RURAL UTILITY LOANS

Amends section 8.0(9) of the FCA to allow rural utility loans (loans, or interest in a loan, for electric and telephone facilities) to be considered as "qualified loans.

SEC.5038 (538). FARM CREDIT SYSTEM INSURANCE CORPORATION

Amends the FCA, with respect to the Farm Credit System Insurance Corporation (FCSIC), by revising FCSIC's premium structure. The language—

- Allows premiums owed by the System to be linked to the debt outstanding instead of solely to loans;
- Increases the premiums to be charged by FCSIC to 20 basis points on all outstanding debt (adjusted for government guaranteed loans and investments);
- Allows a surcharge of an additional 10 basis points to be charged for all loans that are nonaccrual;
- Adds clarifying reporting requirements by Farm Credit System institutions so that the appropriate premium levels may be charged; and
- Includes technical corrections to provisions in current law which permit the rebate of premiums, should FCSIC find itself with too much money in its insurance fund.

SEC.5039 (539). RISK-BASED CAPITAL LEVELS.

Amends section 8.32(a)(1) of the FCA, by allowing FCSIC to calculate risk-based capital for rural electric and telephone loans, because the capital requirements for those credits are based on a different set of loan loss data than the agriculture mortgage loans that currently are "qualified loans."

TITLE VI—RURAL DEVELOPMENT

SEC.6001.DEFINITION OF RURAL.

Requires the Secretary to assesses the varying definitions of rural used by the U.S. Department of Agriculture (USDA), describe what effect the varying definitions have on the programs USDA administers, and make recommendations to Congress to better target funds through rural development programs.

SEC. 6002.WATER,WASTE DISPOSAL, AND WASTEWATER FACILITY GRANTS.

Reauthorizes section 306(a)(2)(A) of the Consolidated Farm and Rural Development Act (Con Act), which allows the Secretary to make grants available to finance projects for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas.

- Authorizes an appropriation of \$30 million for each of the fiscal years 2008 through 2012.

SEC.6003.RURAL BUSINESS OPPORTUNITY GRANTS.

Reauthorizes section 306(a)(11) of the Con Act, which allows the Secretary to make grants available for business development or labor training in rural areas; authorizes an appropriation of \$15 million for each of the fiscal years 2008 through 2012.

SEC.6004.RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.

Reauthorizes section 306(a)(22) of the Con Act, which requires the Secretary to establish a national rural water and wastewater circuit rider program to provide technical assistance to help bring small public water systems into compliance with state and national environmental

regulations. The program is modeled on the rural water circuit rider program of the National Rural Water Association; increases funding for the program from \$15 million to \$25 million for each of the fiscal years 2008 through 2012.

SEC.6005.TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.

Reauthorizes section 306(a)(25) of the Con Act, which allows the Secretary to provide cost-share grants to tribal colleges and universities (as defined in Section 316 of the Higher Education Act of 1965 (20 U.S.C. 1059(c)) for developing essential community facilities in rural areas; authorizes an appropriation of \$10 million for each of the fiscal years 2008 through 2012.

SEC.6006.EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

Reauthorizes section 306A of the Con Act, which requires the Secretary to provide grants to assist residents in rural areas and small communities comply with the Water Pollution Control Act or the Safe Drinking Water Act; authorizes an appropriation of \$35 million for each of the fiscal years 2008 through 2012.

SEC.6007.WATER SYSTEMS FOR RURAL AND NATIVE VILLAGES IN ALASKA.

Reauthorizes section 306D of the Con Act, which authorizes the Secretary to make grants to Alaska for the benefit of rural and native villages in that state to provide for the development and construction of water and waste water systems to improve the health and sanitation conditions in those villages; authorizes the appropriation of \$30 million for each of the fiscal years 2008 through 2012.

SEC.6008.GRANTS TO NONPROFIT ORGANIZATIONS TO FINANCE THE CONSTRUCTION, REFURBISHING, AND SERVICING OF INDIVIDUALLY-OWNED HOUSEHOLD WATER WELL SYSTEMS IN RURAL AREAS FOR INDIVIDUALS WITH LOW OR MODERATE INCOMES.

Reauthorizes section 306E of the Con Act, which authorizes the Secretary to make grants to private nonprofit organizations for loans to eligible low-income individuals for the construction, refurbishing, and servicing of individual household water well systems in rural areas; authorizes an appropriation of \$10 million for each of the fiscal years 2008 through 2012.

SEC.6009.RURAL COOPERATIVE DEVELOPMENT GRANTS.

Amends section 310B(e) of the Con Act to allow the Secretary to award multi-year Rural Cooperative Development Grants, which are competitive grants to establish and operate centers for rural cooperative development.

- Awards one-year grants to centers that have received no prior funding; requires the Secretary to evaluate programs receiving assistance under the program, and if the Secretary determines that it is in the best interest of the program, the Secretary is authorized to award one to three year grants.
- Authorizes an appropriation of \$50 million for each of the fiscal years 1996 to 2012.

SEC.6010. APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS PROGRAM.

Amends section 310B of the Con Act by authorizing the Secretary to establish the “national technology transfer for rural areas program,” to assist agricultural producers that are seeking information to help them: a) reduce their input costs; b) conserve energy costs; c) diversify operations through new energy crops and energy generation facilities; and d) expand markets for their agricultural commodities through the use of sustainable farming practices.

- Authorizes an appropriation of \$5 million to carry out the program.

SEC.6011.GRANTS TO PROMOTE TECHNICAL INFRASTRUCTURE OF RURAL HEALTHCARE FACILITIES.

Amends subtitle D of the Con Act by adding a new section that authorizes the Secretary to award grants to rural health facilities for the purpose of assisting the facilities in: 1) purchasing health information technology to improve quality health care and patient safety; or 2) improving health care quality and patient safety, including the development of—

- quality improvement support structures to assist rural health systems and professionals; and
 - innovative approaches to financing and delivery of health services to achieve rural health quality goals.
- Authorizes appropriations of \$30 million for each of fiscal years 2008 through 2012.

SEC.6012.RURAL ENTREPRENEUR AND MICROENTERPRISE ASSISTANCE PROGRAM.

Amends subtitle D of the Con Act by adding a new Section that authorizes the Secretary to establish rural entrepreneurship and microenterprise grant and loan programs.

- The goal of the grant program is to provide training, operations support, or rural capacity-building services to qualified organizations to assist them in developing microenterprise training, technical assistance, market development assistance, and other related services – the program is primarily for businesses with 10 or fewer full-time-equivalent employees.
- The goal of the rural microloan and technical assistance program is to provide technical and financial assistance to qualified organizations sole proprietorships, and small businesses located in rural areas with a particular focus on business with 10 or fewer full-time-equivalent employees.
- Authorizes an appropriation of not more than \$20 million for each of fiscal years 2008 through 2012.

SEC. 6013. CRITERIA TO BE APPLIED IN CONSIDERING APPLICATIONS FOR RURAL DEVELOPMENT PROJECTS.

- Amends subtitle D of the Con Act, by authorizing the Secretary to review the income demographics, population density, and seasonal population increases for eligible communities that submit applications for rural development projects.

Authorizes the Secretary to consider an application less favorably when compared to other applications to the extent that:

- 1) the application indicates that the median household income in the area is greater in the application;
- 2) the application indicates that the area is more densely populated in the application;
- 3) the application indicates that the seasonal population increase in the area is greater in the application, and the Secretary determines that the population increase enhances the ability of the applicant to secure other funds for the activities described in the application.

- Authorizes the Secretary to issue regulations to establish the limitation that a rural area cannot exceed in order to remain eligible for rural development funds.

SEC.6014.NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.

Amends section 375 of the Con Act by eliminating the requirement that the National Sheep Industry Improvement Center be required to privatize its revolving fund. Provides for an authorization of \$10 million for each of the fiscal years 2008 through 2012.

SEC.6015.NATIONAL RURAL DEVELOPMENT PARTNERSHIP.

- Reauthorizes section 378 of the Con Act, which establishes the National Rural Development Partnership, which is composed of the National Rural Development Coordinating Committee (NRDCC) – the NRDCC is established by the Con Act.
- Included among the partnership’s purposes are the following:
 - 1) the enhancement of state and local rural development capacities; and
 - 2) the engagement of federal, state, local, tribal, private and nonprofit sectors in such efforts.
- Authorizes an appropriation of \$10 million for each of the fiscal years 2008 through 2012.

SEC.6016.HISTORIC BARN PRESERVATION.

Reauthorizes section 379A of the Con Act, which allows the Secretary to make grants, or enter into contracts with state departments of agriculture or certain nonprofit organizations for historic barn preservation; authorizes an appropriation of “such sums as necessary” for each of the fiscal years 2008 through 2012.

SEC.6017.GRANTS FOR NOAA WEATHER TRANSMITTERS.

Reauthorizes section 379B of the Con Act, which allows the Secretary to make grants to public and nonprofit entities, and to borrowers of loans made by the Rural Utilities Service, for the federal share of the cost of acquiring radio transmitters to increase rural coverage by the all hazards weather radio broadcast system of the National Oceanic and Atmospheric Administration (NOAA); authorizes an appropriation of “such sums as necessary” for each of the fiscal years 2008 through 2012.

SEC.6018.DELTA REGIONAL AUTHORITY.

Reauthorizes Section 382 of the Con Act, which provides federal and state funding for 240 distressed counties across eight states in the Mississippi Delta. Authorizes an appropriation of \$30 million for each of the fiscal years 2008 through 2012. Extends the Delta Regional Authority to October 1, 2012.

SEC.6019.NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

Amends section 383B of the Con Act, by continuing the formula for the federal share of the authority's administrative expenses – the formula is: for fiscal year(FY) 2007 100 percent; for FY2008 75 percent; and for FY2009 50 percent; broadens the Authority's support for resource conservation districts.

- Eliminates the order of priority with respect to funding for economic and community development projects[Section 383C(b)(2)];
- Eliminates the “isolated area of distress” designation, which are defined as areas located in “nondistressed counties” – (nondistressed counties are counties that are not the most severely and persistently distressed and underdeveloped and do not have high rates of poverty, unemployment, and outmigration) – that have high rates of poverty, unemployment or outmigration [Section 383F];
- Reduces from 75 to 50 percent the minimum amount of funds that the authority is to allocate to “distressed counties,” which are defined as counties that are the most severely and persistently distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration [Section 383F];
- Eliminates the prohibition of providing funds to “nondistressed counties” [Section 383F];
- Reduces from 50 to 25 percent, the minimum amount of funds that the authority is to allocate to transportation, telecommunication, and public infrastructure projects [Section 383F];
- includes “renewable energy projects” among the those projects [Section 383F].
- Authorizes an appropriation of \$30 million for each of the fiscal years 2008 through 2012.
- Extends the authority through 2012.

SEC.6020.RURAL STRATEGIC INVESTMENT PROGRAM

Amends section 385E of the Con Act to appropriate \$25 million for fiscal years 2008 through 2012 for the Rural Strategic Investment Program, which establishes a National Board on Rural America that is to make planning grants and innovation grants to certified Regional Investment Boards.

SEC.6021.EXPANSION OF 911 ACCESS.

Amends Section 315 of the Rural Electrification Act (REA) to reauthorize – from 2008 to 2012 – the Secretary's authority to make telephone loans to state or local governments, Indian tribes, or other public entities for the expansion of rural 911 access and integrated emergency communication in rural areas.

SEC.6022.ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.

Amends Section 601 of the REA by:

- Changing the definition of an “eligible rural community” to include any area in the United States that is not:
 - 1) included within the boundaries of any city, town, borough, or village, whether incorporated or unincorporated, with a population of more than 20,000 inhabitants; and

2) the urbanized area contiguous and adjacent to such a city or town;
[The current definition of an “eligible rural community” in section 601 is “any area of the United States that is not contained in an unincorporated city or town with a population in excess of 20,000 inhabitants.”]

- Providing a definition for the term “incumbent service provider,” which means an entity that is providing broadband service to at least 5 percent of the service area proposed in the application;
- Requiring the Secretary when making loans or loan guarantees under this section to give priority to eligible rural communities based on the number of incumbent service providers located in those communities;
- Prohibiting the Secretary from making a loan to any community where there are more than 3 incumbent service providers; or from making a loan for new construction in any community in which more than 75 percent of the households may obtain affordable broadband service, on request, from at least 1 incumbent service provider;
- Increasing the percentage of subscriber lines that an eligible entity is allowed to serve from 2 percent to 10 percent;
- Requiring that not more than 25 percent of loans be made available, in a single fiscal year, to entities that serve more than 2 percent of the telephone subscriber lines in the United States;
- Requiring the Secretary to ensure that the type, amount, and method of security used to secure a loan or loan guarantee is commensurate to the risk involved with the loan or loan guarantee;
- Requiring the Secretary to annually report to Congress on the rural broadband loan and loan guarantee program.

- Establishing a “National Center for Rural Telecommunications Assessment”:
 - The Center’s duties include: assessing the effectiveness of rural broad band loan and loan guarantee programs, increasing broadband penetration and purchase in rural areas; and developing assessments of broadband availability in rural areas.
 - The Center must report annually to the Secretary on its activities and the results of its research.
 - Authorizes an appropriation of \$1 million for each of the fiscal years 2008 through 2012.
- Authorizing an appropriation of such sums as necessary for each of the fiscal years 2008 through 2012 to carry out the rural broadband loan and loan guarantee program:
 - Requires the Secretary to set aside 10 percent of the appropriated funds for eligible tribal communities;
 - Allows the Secretary to use amounts in the reserve that are not obligated by June 30 to make loans and loan guarantees to eligible entities as determined by the Secretary.

- Extends the authority to issue loans until 2012.

SEC.6023.COMMUNITY CONNECT PROGRAM.

Amends Title VI of the REA to add a new section which authorizes the Secretary to provide financial assistance to eligible applicants to provide broadband transmission service that fosters economic growth, and delivers enhanced educational, health care, and public safety services.

- Authorizes the Secretary to prioritize grants that will enhance community access to telemedicine and distance learning.
- Requires grant applicants to provide a matching contribution of at least 15 percent of the grant amount requested.
- Authorizes an appropriation of \$25 million for fiscal years 2008 through 2012.

SEC.6024. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.

Reauthorizes the Agriculture Innovation Center Demonstration Program, which directs the Secretary to provide grants to eligible entities for assistance to agricultural producers in order to establish and enhance businesses to produce value-added agricultural commodities or products. The program also provides technical assistance and planning to assist producers in establishing value-added businesses.

- Authorizes an appropriation of \$6 million for each of the fiscal years 2008 through 2012.

SEC.6025.RURAL FIREFIGHTERS AND EMERGENCY MEDICAL SERVICE ASSISTANCE PROGRAM.

Amends section 6405 of the Farm Security and Rural Investment Act to make grants available to local governments, Indian tribes, and other entities to train rural firefighters and emergency medical personnel in firefighting, emergency medical practices, and hazardous material and bioagent response and to provide improved emergency medical services in rural areas.

- Requires eligible entities, in order to receive a grant, to provide matching funds.
- Authorizes an appropriation of not more than \$30 million for each of the fiscal years 2008 through 2012.

SEC.6026.VALUE-ADDED AGRICULTURAL MARKETING DEVELOPMENT PROGRAM.

Amends section 231 of the Agricultural Risk Protection Act (ARPA) by—

- Providing a definition for mid-tier value-chains, which are defined as local and regional supply networks that link independent producers with business and cooperatives that market value-added agricultural products.
- Requiring the Secretary to set aside 10 percent of the funds for value-added agricultural market development grants for projects benefiting beginning farmers and ranchers or socially disadvantaged farmers and ranchers.
- Requiring the Secretary to set aside 10 percent of the funds for value-added agricultural market development grants for applications that propose to develop mid-tier value chains.

- Authorizing the Secretary to use amounts in the reserve that are not obligated to qualified beginning farmers and ranchers, socially disadvantaged farmers and ranchers, or mid-tier value chains by June 30, to make grants to eligible entities as determined by the Secretary.

Providing mandatory funding of \$30 million.

SEC.6027.TELEMEDICINE AND DISTANCE LEARNING SERVICES IN RURAL AREAS.

Amends section 2335A of the Food, Agriculture, Conservation and Trade Act to authorize the Secretary to award loans and grants to schools and medical facilities for acquiring advanced telecommunications technologies to support medical and educational functions in rural areas.

6028. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.

Amends section 313A of the REA to authorize the Secretary to guarantee payments issued by cooperatives or other lenders organized on a non-for-profit basis if the proceeds of the bonds or notes are used to make loans for any electrification or telephone purpose eligible for assistance under the REA.

6029.COMPREHENSIVE RURAL BROADBAND STRATEGY.

Authorizes the Secretary to submit to the President and the Congress a report describing a comprehensive rural broadband strategy.

TITLE VII—RESEARCH
SUBTITLE A – GENERAL PROVISIONS

| SEC. 7101. DEFINITIONS.

- Capacity program generally means those formula fund programs that are used to fund faculty needs, building, equipment and repair of agriculture research facilities, as well as State and regional research priorities. Competitive program generally means those grants which are awarded competitively and are used for agricultural research and extension.
- Capacity Program and competitive critical base funding means the total amount of federal funds for all or individual respective programs for FY '07.
- ASCARR Institution is a public college or university that offers a baccalaureate or higher degree in agriculture, but does not include HSACUs or any Morrill Act or Land Grant institutions.
- HSACUs are colleges or universities that qualify as HSI's under the Higher Education Act and offers a baccalaureate in agriculture or food science related field.

SEC. 7102. BUDGET SUBMISSION AND FUNDING.

- Requires the President to submit with the annual budget request a single line item reflecting the total funding request for competitive programs for the fiscal year and the previous five fiscal years.
- The capacity program critical base funding request should be apportioned among programs based on priorities established by the Undersecretary and Directors. Additional funds

requested should enhance 1890's, 1994's, small 1862's and ASCARR Institutions, and HSACUs.

- The competitive program critical base funding request should be apportioned among programs based on priorities established by the Undersecretary and Directors of NARPO. Additional funds requested should support study of emerging problems and their solutions.
- Necessary sums are authorized to be appropriated.
- Competitive programs under this section include only those requested by the President for appropriations funding.

SEC. 7103. ADDITIONAL PURPOSES OF AGRICULTURAL RESEARCH AND EXTENSION.

- Adds additional purposes of agricultural research and extension to include:
- Integrating and organizing agricultural research, extension, education and related programs to respond to 21st century challenges, and to continue to meet the needs of society from a local, Tribal, State, National and international perspective;
- Minimize duplication and maximize coordination of the program at all levels;
- Position the research, extension, education and related programs system in order to expand the portfolio to increase its contribution to society.

SEC. 7104. NATIONAL AGRICULTURAL RESEARCH PROGRAM OFFICE.

- Establishes six research Program Offices, collectively known as the "National Agricultural Research Program Office" within the office of the Under Secretary of Agriculture for Research, Education, and Economics. The National Agricultural Research Program Office will coordinate the programs and activities of the research agencies within the mission area to the maximum extent practicable.
- The National Agricultural Research Program Office will include the following offices:
 - Renewable energy, resources, and environment;
 - Food safety, nutrition, and health;
 - Plant health and production;
 - Animal health and production and animal products;
 - Agriculture systems and technology; and
 - Agriculture economics and rural communities.
- Each research Program Office will have a Director appointed by the Under Secretary, and will have conducted outstanding research, education or extension in agriculture or forestry, earned a doctorate, and met the standards for appointment to a senior level of the competitive service.
- The Directors will formulate programs, assess workforce needs, cooperate with the Board in planning for personnel needs, develop strategic planning and priorities for department-wide research, education, extension and related activities, and communicate with program beneficiaries.
- The Under Secretary, along with the Directors and in consultation with the National Agricultural Research, Education and Economics Advisory Board, will direct and coordinate programs within relevant departmental agencies to focus on understanding program problems and opportunities, addressing those problems, and national/regional/local priorities.

- The Undersecretary will coordinate with the Directors and receive the advice of the Board to ensure that programs are integrated and coordinated.
- The Under Secretary will fund each Program Office with appropriated funds made available to the agencies within the mission area. The total number of staff for all Program Offices shall not exceed 30 full time positions and shall be filled by current positions.
- The Undersecretary will integrate leadership functions from existing program offices to ensure that Program offices are the primary program leaders.
- Requires the Under Secretary to develop and implement specialty crop research activities; facilitate information delivery; and ensure coordination among research initiatives related to specialty crops.

SEC. 7105. ESTABLISHMENT OF COMPETITIVE GRANT PROGRAMS UNDER THE NATIONAL INSTITUTE FOR FOOD AND AGRICULTURE.

- Establishes the National Institute for Food and Agriculture within the Cooperative State Research, Education, and Extension Service to administer all competitive grants.

SEC. 7106. MERGING OF IFAFS AND NRI.

- The law authorizing IFAFS is repealed; the law authorizing the NRI is amended to establish a competitive grant program available to State ag experiment stations, all colleges, universities, university research foundations, research institutions and organizations, Federal agencies, national laboratories, private organizations, corporations or individuals.
- Funds may not be used for construction.
- Within this new combined program will be 2 separate programs for basic and applied research, to be referred to as the NRI and IFAFS, respectively.
- NRI funding shall be allocated as follows: 30 per cent for multidisciplinary teams; 20 percent for missions linked systems research; not less than 10 percent for education and research opportunities. The offer or availability of matching funds shall not be taken into account when making a grant. The match requirement may be waived in certain instances.
- Matching funds shall be required for IFAFS grants if the grant is for applied commodity specific research and not national in scope.
- In addition to NRI grants, the Secretary may conduct a program in agricultural, food and environmental sciences in a variety of specified categories.
- 60 percent of funds made available shall fund the NRI, and 40 percent will fund IFAFS.
- Funding made available under current statute for IFAFS will be transferred to this new combined program. \$500,000,000 are authorized to be appropriated, and shall remain available until expended for obligations incurred in that fiscal year.

SEC. 7107. CAPACITY BUILDING GRANTS FOR ASCARR INSTITUTIONS.

- Grants will be made for ASCARR Institutions to maintain and expand education, outreach and research capacity relating to agriculture, renewable resources and other similar fields.
- Necessary sums are authorized to be appropriated.

SEC. 7108. ESTABLISHMENT OF RESEARCH LABORATORIES FOR ANIMAL DISEASES.

- Authorizes the Secretary to establish animal disease research laboratories, and to the extent that an animal disease constitutes a threat to the livestock industry, authorizes the Secretary to conduct research, diagnostics, and other activities.
- Prohibits a person, State or Federal agency from importing, transporting or storing at a research facility a live virus that the Secretary determines to be a threat to livestock, such as foot-and-mouth disease. The Secretary may, however, import, transport or store such a live virus, and may also allow for a person, State or Federal agency to do the same, if it is in the public interest.
- Necessary sums are authorized to be appropriated.

SEC. 7109. GRAZINGLANDS RESEARCH LABORATORY.

- Maintains the operation of the Grazingland Research laboratory in its current location.

SEC. 7110. RESEARCHER TRAINING.

- Plant genetic researchers receiving certain federal funds are required to complete an approved training program.

SEC. 7111. FORT RENO SCIENCE PARK RESEARCH FACILITY.

- The Secretary may lease the land at the Grazinglands Research Laboratory to the University of Oklahoma.

SEC. 7112. ASSESSING THE NUTRITIONAL COMPOSITION OF BEEF PRODUCTS.

- A grant will be available to a land-grant university to update the Nutrient Composition Handbook for Beef. Necessary sums are authorized to be appropriated.

SEC. 7113. SENSE OF CONGRESS REGARDING FUNDING FOR HUMAN NUTRITION RESEARCH.

- It is the sense of Congress that human nutrition research has the potential for improving the health of Americans.

SUBTITLE B—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977

This subtitle reauthorizes various grants, programs, centers, appropriations, facilities, institutions under NARETPA.

SEC. 7201. ADVISORY BOARD.

- Increases the maximum annual limitation on expenses for the National Agricultural Research, Extension, Education, and Economics Advisory Board to \$500,000.

SEC. 7202. ADVISORY BOARD TERMINATION.

- Extends the authorization of the Board until 2012.

SEC. 7203. RENEWABLE ENERGY COMMITTEE.

- Requires the executive committee of the National Agricultural Research, Extension, Education, and Economics Advisory Board to establish and appoint initial members to a permanent renewable energy committee, responsible for studying the research, extension, and economics programs affecting the renewable energy industry. The renewable energy committee

will submit annual reports to the Advisory Board with the committee's findings and recommendations.

- The Renewable Energy Committee shall coordinate with the Biomass Research and Development Act Committee.
- When preparing the annual budget recommendations for the Department, the Secretary shall take into account the recommendations made by the committee and adopted by the Advisory Board.

SEC. 7204. SPECIALTY CROP COMMITTEE REPORT.

- Expands the list of recommendations the specialty crops committee must make annually to the National Agricultural Research, Extension, Education, and Economics Advisory Board to include economic analyses of the specialty crop sector and data that provide applied information useful to specialty crop growers.

SEC. 7205. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION.

- Adds the University of the District of Columbia as an eligible university to compete for Food and Agricultural Sciences Education, and makes UDC eligible for a set aside for colleges that uniquely represent minority groups.

SEC. 7206. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION.

- Includes institution of higher education that award an associate's degree, other institutions of higher education and non-profit organizations as eligible institutions for teaching program grants.
- Adds agriculture in the classroom as an eligible grant activity.
- Authorization for appropriations in the current amount of \$60,000,000 for each fiscal year is extended to 2012.
- A report is required to detail the distribution of funds to teaching programs.

SEC. 7207. GRANTS FOR RESEARCH ON PRODUCTION AND MARKETING OF ALCOHOLS AND INDUSTRIAL HYDROCARBONS FROM AGRICULTURAL COMMODITIES AND FOREST PRODUCTS.

- Authorization for appropriations is extended to 2012.

SEC. 7208. POLICY RESEARCH CENTERS.

- Includes FAPRI as eligible to receive grants under this section. Extends authorization for appropriations through 2012.

SEC. 7209. HUMAN NUTRITION INTERVENTION AND HEALTH PROMOTION RESEARCH PROGRAM.

- Extends authorization of appropriations through 2012.

SEC. 7210. PILOT RESEARCH PROGRAM TO COMBINE MEDICAL AND AGRICULTURAL RESEARCH.

- Extends authorization of appropriations in the amount of \$10,000,000 for each fiscal year through 2012, for the Secretary to conduct a pilot research program to link major cancer and heart disease research efforts with agricultural research efforts to identify compounds in vegetables and fruits that prevent these diseases.

SEC. 7211. NUTRITION EDUCATION PROGRAM.

- Authorizes appropriations of \$83,000,000 for each of the fiscal years through 2012, to carry out the food and nutrition education program.

SEC. 7212. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

- Authorizes funds to be appropriated as necessary up to \$25,000,000 for each of the fiscal years through 2012, to support continuing animal health and disease research programs.

SEC. 7213. COOPERATION AMONG ELIGIBLE INSTITUTIONS.

- The Secretary shall encourage cooperation among institutions eligible for funding under Continuing Animal Health and Disease Research Programs in setting research priorities.

SEC. 7214. APPROPRIATIONS FOR RESEARCH ON NATIONAL OR REGIONAL PROBLEMS.

- Authorizes funds to be appropriated as necessary up to \$35,000,000 for each of the fiscal years through 2012, to support research on specific national or regional animal health or disease problems, or national or regional problems relating to pre-harvest, on-farm food safety.

SEC. 7215. AUTHORIZATION LEVEL OF EXTENSION AT 1890 LAND-GRANT COLLEGES.

- Increases the amount from funds appropriated for cooperative extension work at land-grant institutions from 15 to 20 per cent of the total.

SEC. 7216. AUTHORIZATION LEVEL FOR AGRICULTURAL RESEARCH AT 1890 LAND-GRANT COLLEGES.

- Increases the amount of funds appropriated under the Hatch Act for ag research from 25 to 30 percent.

SEC. 7217. GRANTS TO UPGRADE AGRICULTURE AND FOOD SCIENCES FACILITIES AT THE DISTRICT OF COLUMBIA LAND GRANT UNIVERSITY.

- Authorizes \$750,000 each fiscal year through 2012 to support efforts to acquire, alter or repair facilities and equipment at USDC necessary for agricultural research.

SEC. 7218. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.

- Authorizes appropriations of \$25,000,000 for each of the fiscal years through 2012, for grants to 1890 land-grant institutions to acquire and improve agricultural and food sciences facilities and equipment.

SEC. 7219. NATIONAL RESEARCH AND TRAINING VIRTUAL CENTERS.

- Authorizes appropriations of \$2,000,000 for each of the fiscal years through 2012, to make a competitive grant to five national research and training virtual centers located at 1890 land-grant institutions.

SEC. 7220. MATCHING FUNDS REQUIREMENT FOR RESEARCH AND EXTENSION ACTIVITIES OF 1890 INSTITUTIONS.

- Establishes a formula for States to provide matching funds to be provided to 1890 land-grant institutions for agricultural research, extension, and education activities, through fiscal year 2012.

SEC. 7221. HISPANIC-SERVING INSTITUTIONS.

- Authorizes appropriations of \$20,000,000 for each of the fiscal years through 2012, to make competitive grants to Hispanic-serving institutions to promote and strengthen the institutions' abilities to carry out education, applied research, and related community development programs.

SEC. 7222. HISPANIC SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES.

- Establishes an endowment fund, institutional capacity building grant program, and a competitive grant program to benefit Hispanic Serving Agricultural Colleges and Universities.
- HSACUs are defined as institutions that qualify as Hispanic serving institutions under the Higher Education Act and offer an associate, bachelor or other accredited degree in agricultural fields of study.
- Necessary funds are authorized to be appropriated for the endowment fund, extension, and institutional capacity building and competitive grants through 2012. A formula for distribution of appropriations is authorized for endowment and maintenance of HSACUs under the Second Morrill Act.

SEC. 7223. INTERNATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.

- The Secretary may give priority to institutions with existing memorandums of understanding or other formal agreements to U.S. institutions or State and Federal agencies expanding USDA coordination on agricultural research, extension and teaching activities with other countries.
- Includes HSACs as organizations the Secretary may enter into agreements with to help develop a sustainable global agriculture system.
- Adds HSACs to the list of universities eligible for support to do collaborative research with other countries on U.S. agricultural competitiveness.
- Adds HSACs to the list of colleges and universities where Federal scientists are involved with research conducted internationally.
- Establishes a program to provide fellowships to U.S. or foreign students to study at foreign agricultural colleges.

SEC. 7224. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make competitive grants directed to agricultural research, extension, and teaching

activities to colleges and universities to strengthen U.S. economic competitiveness and promote international market development.

SEC. 7225. LIMITATION ON INDIRECT COSTS FOR AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION PROGRAMS.

- The limitation of no more than 19 percent of federal funds for indirect charges now applies to any grant under this section.

SEC. 7226. RESEARCH EQUIPMENT GRANTS.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make competitive grants for the acquisition of special purpose scientific research equipment for use in the food and agricultural science programs of eligible institutions.

SEC. 7227. UNIVERSITY RESEARCH.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for certain existing and new agriculture research programs.

SEC. 7228. EXTENSION SERVICE.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to carry out the extension programs of the Department of Agriculture.

SEC. 7229. SUPPLEMENTAL AND ALTERNATIVE CROPS.

- Requires the Secretary to develop and implement a research project for the development of supplemental and alternative crops.

SEC. 7230. AQUACULTURE RESEARCH FACILITIES.

- Authorizes appropriations of \$20,000,000 for each of the fiscal years through 2012, to make competitive grants to Hispanic-serving institutions to promote and strengthen the institutions' abilities to carry out education, applied research, and related community development programs.

SEC. 7231. RANGELAND RESEARCH.

- Authorizes funds to be appropriated not to exceed \$10,000,000 for each of the fiscal years through 2012, to make grants to land-grant colleges and universities, State agricultural experiment stations, and other institutions to conduct rangeland research.

SEC. 7232. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for biosecurity planning and response.

SEC. 7233. RESIDENT INSTRUCTION AND DISTANCE EDUCATION GRANTS PROGRAM FOR INSULAR AREA INSTITUTIONS OF HIGHER EDUCATION.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the Secretary to make competitive or non-competitive grants to eligible institution in

insular areas to strengthen the capacity of such institutions to carry out distance food and agricultural education programs using digital network technologies.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for competitive grants to insular area institutions to strengthen educational capacities in the food and agricultural sciences.

SUBTITLE C—FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990

This subtitle reauthorizes various programs, initiatives, and a clearinghouse under FACTA.

SEC. 7301. NATIONAL GENETICS RESOURCES PROGRAM.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the national genetics resources program.

SEC. 7302 NATIONAL AGRICULTURAL WEATHER INFORMATION SYSTEM.

- Authorizes \$5,000,000 in appropriations advisory programs for State agricultural weather information systems.

Sec. 7303. PARTNERSHIPS.

- Grant proposals received under the High Priority Research and Extension Initiatives must be scientifically meritorious and involve the cooperation of multiple entities in order to receive priority consideration.

SEC. 7304. AFLATOXIN RESEARCH AND EXTENSION.

- Changes the existing grant description to improve and commercialize aflatoxin control in corn and other crops.

Sec. 7305. HIGH PRIORITY RESEARCH AND EXTENSION AREAS.

- The following are added to the High Priority Research and Extension Area Initiatives: Farmed and wild cervid disease and genetic research; air emissions from livestock operations; swine genome project; cattle fever tick program; colony collapse disorder program; synthetic gypsum from power plants research; cranberry research program; sorghum research initiative; and bean health research program.

SEC. 7306. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVE.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for competitive grants for specified high-priority research and extension initiatives.

SEC. 7307. NUTRIENT MANAGEMENT RESEARCH AND EXTENSION INITIATIVE.

- Adds grant proposals that address unique regional concerns as eligible for priority treatment
- Adds dairy cattle waste as types of waste to be studied to develop new methods of managing air and water quality.
- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for competitive grants for the nutrient management research and extension initiative.

SEC. 7308. AGRICULTURAL TELECOMMUNICATIONS PROGRAM.

- Authorizes funds to be appropriated not to exceed \$12,000,000 for each of the fiscal years through 2012, to encourage the development and utilization of an agricultural communications network to strengthen agricultural extension, resident education and research, and marketing of agricultural commodities.

SEC. 7309. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.

- Authorizes appropriations of \$6,000,000 for each of the fiscal years through 2012, to make demonstration grants to support cooperative programs between State Cooperative Extension Service agencies and private nonprofit disability organizations to provide on-the-farm agricultural education and assistance for individuals with disabilities who are engaged in farming.

SEC. 7310. ORGANIC RESEARCH.

- Extends the Organic Research and Extension Initiative to examine optimal conservation and environmental outcomes for organically produced agricultural products, and to develop new and improved seed varieties that are particularly suited for organic agriculture.
- Authorizes appropriations of \$25,000,000 for each of fiscal years through 2012 for the Organic Research and Extension Initiative.
- The Director of the National Agricultural Research Program Office shall coordinate this program to avoid duplication.

SEC. 7311. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

- Authorizes appropriations of \$500,000 for each of the fiscal years through 2012 for the National Rural Information Center Clearinghouse to provide and distribute information and data to any industry, organization, or Federal, State, or local government entity about programs and services provided in rural areas.

SUBTITLE D—AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998

This subtitle reauthorizes various partnerships, initiatives, grants, and offices under AREERA.

SEC. 7401. PARTNERSHIPS FOR HIGH-VALUE AGRICULTURAL PRODUCT QUALITY RESEARCH.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make competitive grants to eligible partnerships to coordinate and manage research and extension activities to enhance the quality of high-value agricultural products.

SEC. 7402. PRECISION AGRICULTURE.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make competitive grants to conduct research, education, or information dissemination projects for the development and advancement of precision agriculture.

SEC. 7403. BIOBASED PRODUCTS.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to develop, commercialize, and promote the use of biobased products.

SEC. 7404. THOMAS JEFFERSON INITIATIVE FOR CROP DIVERSIFICATION.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to fund the Thomas Jefferson Initiative for Crop Diversification, which supports research and development on the production, marketing and efficient use of new and nontraditional crops needed to strengthen and diversify the agricultural production base of the U.S.

SEC. 7405. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for an integrated research, education, and extension competitive grant program.

SEC. 7406. FUSARIUM GRAMINEARUM GRANTS.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make grants to consortia of land-grant colleges and universities to enhance the ability of the consortia to conduct multi-State research projects aimed at understanding and combating diseases of wheat, triticale, and barley caused by Fusarium graminearum and related fungi.

SEC. 7407. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to conduct research, testing and evaluation for the control and management of Johne's disease in livestock.

SEC. 7408. GRANTS FOR YOUTH ORGANIZATIONS.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make grants to specified youth organizations to establish pilot projects to expand the programs carried out by the organizations in rural areas.

SEC. 7409. AGRICULTURAL BIOTECHNOLOGY RESEARCH AND DEVELOPMENT FOR DEVELOPING COUNTRIES.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to make competitive grants to institutions or nonprofit organizations to develop agricultural biotechnology for developing countries.

SEC. 7410. AGRICULTURAL BIOENERGY AND BIOBASED PRODUCTS RESEARCH INITIATIVE.

- Amends the Agricultural Research, Extension, and Education Reform Act of 1998 to establish a bioenergy and biobased products research initiative to enhance the production, sustainability and conversion of biomass to renewable fuels and related products.
- The research initiative will be supported by a bioenergy and biobased product laboratory network that will focus research on improving biomass production and sustainability, and improving biomass conversion in biorefineries.
- The Director of the research institute established under Sec. 7103 will coordinate projects and activities under the Biomass Research and Development Act of 2000 to coordinate and maximize the strengths of the Department of Agriculture and Department of Energy.
- The Secretary may carry out research and award grants on a competitive basis.
- \$50,000,000 is authorized to be appropriated for each of fiscal years 2008 through 2012 to carry out this section.

- The Director of the National Agricultural Research Program Office shall coordinate this program to avoid duplication of projects carried out under the Biomass Research and Development Act.

SEC. 7411. SPECIALTY CROP RESEARCH INITIATIVE.

- Establishes the Specialty Crop Research Initiative to develop and disseminate science-based tools to address the needs of specific crops and their regions, including work in plant breeding and genetics, safety, quality, and yield; efforts to identify and address threats posed by invasive species; and efforts to improve production.
- The Secretary may carry out research and award grants on a competitive basis.
- \$100,000,000 is authorized to be appropriated for each of fiscal years 2008 through 2012 to carry out this section.
- The Director of the National Agricultural Research Program Office shall coordinate this program to avoid duplication.

SEC. 7412. OFFICE OF PEST MANAGEMENT POLICY.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the Office of Pest Management Policy to provide for the effective coordination of agricultural policies related to pesticides and pest management tools.

SUBTITLE E—OTHER LAWS

SEC. 7501. CRITICAL AGRICULTURAL MATERIALS ACT.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to carry out the Critical Agricultural Materials Act.

SEC. 7502. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for specified institutions to be considered land grant colleges.
- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the Secretary to provide grants to an institution named in the Equity in Educational Land-Grant Status Act of 1994.

SEC. 7503. AGRICULTURAL EXPERIMENT STATION RESEARCH FACILITIES ACT.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the study, plan, design, structure, and related costs of agricultural research facilities under the Research Facilities Act.

SEC. 7504. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985.

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, for the cost of planning, construction, and other public improvements for Federal agricultural research facilities.

SEC. 7505. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANT ACT (NATIONAL RESEARCH INITIATIVE).

- Authorizes appropriations of \$500,000,000 for each of the fiscal years through 2012, to provide competitive research grants for high priority research.

SEC. 7506. AGRICULTURAL RISK PROTECTION ACT OF 2000 (CARBON CYCLE RESEARCH).

- Authorizes funds to be appropriated as necessary for each of the fiscal years through 2012, to provide a grant to the Consortium for Agricultural Soils Mitigation of Greenhouse Gasses.

SEC. 7507. RENEWABLE RESOURCES EXTENSION ACT OF 1978.

- Authorizes appropriations of \$30,000,000 for each of the fiscal years through 2012, for funding to eligible States with forests yielding renewable resources.

SEC. 7508. NATIONAL AQUACULTURE ACT OF 1980.

- Authorizes appropriations of \$1,000,000 for the Department of Agriculture, Department of Commerce, and the Department of Interior, respectively, for each of the fiscal years through 2012, for funding for the National Aquaculture Act of 1980.

SEC. 7509. CONSTRUCTION OF A CHINESE GARDEN AT THE NATIONAL ARBORETUM.

- Authorizes the construction of a Chinese garden at the National Arboretum.

SEC. 7510. PUBLIC EDUCATION REGARDING USE OF BIOTECHNOLOGY IN PRODUCING FOOD FOR HUMAN CONSUMPTION.

- Extends the authorization to 2012 for a program to communicate with the public regarding scientific based information on the safety of biotech foods for human consumption.

SEC. 7511. FRESH CUT PRODUCE SAFETY GRANTS.

- Authorizes the Secretary to award competitive research and extension grants to improve and enhance the safety of fresh cut produce.
- Universities, colleges and other entities that have relationships with producers of fresh cut produce are eligible.
- The recipient must provide an equal of amount of matching funds or in kind support from non-federal sources.
- The Director of the National Agricultural Research Program Office shall coordinate this program to avoid duplication.
- Necessary funds are authorized to be appropriated through 2012.

SEC. 7512. UDC/EFNEP ELIGIBILITY.

- Amends the DC Public Postsecondary Education Reorganization Act to make UDC eligible for The Expanded Food and Nutrition Education Program.

SEC. 7513. SMITH-LEVER ACT.

- Allows the Secretary to waive UDC from matching requirements under the Smith-Lever Act.

SEC. 7514. HATCH ACT OF 1987.

- Allows the Secretary to waive UDC from matching requirements under the Hatch Act.

SUBTITLE F – ADDITIONAL PROVISIONS.

SEC. 7601. MERIT REVIEW OF EXTENSION AND EDUCATIONAL GRANTS.

- Consistent with the establishment of competitive grant programs under NIFA, inserts NIFA as the administering body for which merit review procedures must be established.

SEC. 7602. REVIEW OF PLAN OF WORK REQUIREMENTS.

- The Secretary shall submit a report to Congress identifying measures to streamline work plan requirements under the '77 Act, the Hatch Act and the Smith-Lever Act.

SEC. 7603. MULTISTATE AND INTEGRATION FUNDING.

- Of the federal formula funds States receive under the Hatch Act, 25 percent must be spent on the integration of cooperative research and extension activities.

SEC. 7604. EXPANDED FOOD AND NUTRITION EDUCATION PROGRAM.

- Changes the allocation of funds in excess of the amount appropriated in FY 1981.
- Increases authorized appropriations from \$83,000,000 to \$90,000,000 through 2014.

SEC. 7605. GRANTS TO 1890 SCHOOLS TO EXPAND EXTENSION CAPACITY.

- Adds “extensions” to grants for designing agricultural programs at colleges and universities with significant minority enrollment.

SEC. 7606. BORLAUG INTERNATIONAL AGRICULTURAL SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM.

- Creates a fellowship program to provide scientific training to individuals from eligible countries who specialize in agricultural education, research and extension.
- Necessary sums are authorized to be appropriated without fiscal year limitation.

TITLE VIII—FORESTRY

SUBTITLE A—COOPERATIVE FORESTRY ASSISTANCE ACT OF 1978

SEC. 8001. NATIONAL PRIORITIES FOR PRIVATE FOREST CONSERVATION.

Amends Section 2 of the Cooperative Forestry Assistance Act (CFAA) by requiring the Secretary to focus on a set of three national private forest conservation priorities when allocating appropriated CFAA funds. The national priorities are:

- Conserving and managing working forest landscapes;
- Protecting forests from threats and restoring forests in response to threats to forest health; and
- Enhancing public benefits from private forests, including air and water quality, forest products, forestry-related jobs, production of renewable energy, wildlife and wildlife habitat, and recreation.

Requires the Secretary to submit a report to Congress describing how funding has been used under the CFAA and through other programs administered by the Secretary to address the national priorities.

SEC.8002.STATE-WIDE ASSESSMENTS AND STRATEGIES FOR FOREST RESOURCES.

Amends Section 2 of the CFAA by creating a new section that requires, for a State to be eligible to receive funds under the CFFA, the State forester or equivalent State official, develop and submit a plan that includes: a state-wide assessment of forest resource conditions; and a state-wide forest resource strategy.

- Requires the State forester – or equivalent State official – to submit the state-wide forest resource strategy on an annual basis.
- Allows for the state-wide assessment of forest resource conditions to be updated as the Secretary or State forester – or equivalent State official – determines to be necessary.
- Requires the State forester –or equivalent State official – in developing the state wide assessment and annual strategy, to coordinate with the State Forest Stewardship Committee established for the State.

Limits the Secretary from using more than \$10 million in fiscal year to implement this section for that fiscal year.

SEC.8003.ASSISTANCE TO THE FEDERATED STATES OF MICRONESIA, THE REPUBLIC OF THE MARSHALL ISLANDS, AND THE REPUBLIC OF PALAU.

Amends Section 13(a)(1) of the CFAA to specify that the Federated States of Micronesia, the Republic of the Marshall Islands, the Republic are Palau are, included in the terms “United States” or “States” for purposes of the CFAA.

SEC.8004.CHANGES TO FOREST RESOURCE COORDINATING COMMITTEE.

Amends Section 16 of the CFAA by changing the name of the “State Forest Stewardship Coordinating Committee” to the “Forest Resource Coordinating Committee”; changes the Chairperson of the committee from the State Forester, or equivalent State official, to the Chief of the Forest Service; requires the Coordinating Committee to be composed of the following:

- The Chief of the Forest Service; The Chief of the Natural Resources Conservation Service; The Director of the Farm Service Agency; the Administrator of the Cooperative State Research, Education, and Extension Service; a representative from a State Technical Committee; the following non-Federal representatives—State foresters, a representative of a State fish and wildlife agency; a private non-industrial forest land owner, a forestry industry representative, a conservation organization representative, a land-grant university or college representative, a private forestry consultant, and such other persons that the Secretary determines are appropriate.

Requires the Coordinating Committee to provide direction to USDA, Federal and State agencies, and the private sector to address the national priorities; and clarifies individual agency responsibilities for each agency represented on the Coordinating Committee regarding the national priorities.

SEC.8005.CHANGES TO STATE FOREST STEWARDSHIP COORDINATING COMMITTEES.

Amends Section 19 of the CFAA by adding a representative from a State Technical Committee to be on the State Forest Stewardship Coordinating Committee. Adds as one of the duties of the State Coordinating Committee the development of State-wide assessments that best promote the national priorities outlined in section 8001.

SEC.8006.COMPETITION IN PROGRAMS UNDER COOPERATIVE FORESTRY ASSISTANCE ACT OF 1978.

Authorizes the Secretary to competitively allocate a portion of CFAA funds to State foresters or equivalent State officials; requires the Secretary to consult with the Forest Resource Coordinating Committee when determining the allocation of funds; requires the Secretary to give priority for funding to States in which the strategies listed in the State-wide assessments best promote the national priorities.

SEC.8007. COOPERATIVE FOREST INNOVATION PARTNERSHIP PROJECTS.

Authorizes the Secretary to competitively allocate not more than 5percent of CFAA funds to support innovative national, regional, or local education, outreach, or technology projects that the Secretary determines would increase the ability of USDA to address the national priorities. Allows any State or local government, Indian tribe, land-grant college or university, or private entity to compete for the funds. Requires that the Secretary not cover more than 50 percent of the total cost of a project.

SEC.8101.HEALTHY FOREST RESERVE PROGRAM.

Amends Sec. 508(2) of the Healthy Forests Restoration Act by extending the Healthy Reserves Program to 2012. The purpose of the program is to: promote the recovery of threatened and endangered species; improve biodiversity; and enhance carbon sequestration.

SEC.8102.EMERGENCY FORESTRY CONSERVATION PROGRAM.

Amends Title VI of the Agricultural Credit Act to authorize the Secretary provide financial and technical assistance to owners of non-industrial private forest lands to assist with the development and implementation of plan that:

- Provides for restoration and rehabilitation for non-industrial private forest land;
- Restores the land and related natural resources;
- Uses best management practices on the forest land; and
- Incorporates good stewardship and conservation practices on the land.

Provides for a cost-share, and limits the amount that an owner of non-industrial forest lands may receive to \$50,000 per year.

SEC.8103.OFFICE OF INTERNATIONAL FORESTRY.

Amends Section 2450(d) of the Global Climate Change Prevention Act by reauthorizing the Office of International Forestry within the U.S. Forest Services through 2012.

SEC.8104.RURAL REVITALIZATION TECHNOLOGIES.

Reauthorizes Section 2371(d) of the Food, Agriculture, Conservation, and Trade Act, which authorizes Secretary, acting through the Chief of the Forest Service, in consultation with the state and private Forestry Technology Marketing Unit at the Forest Products Laboratory, and in collaboration with eligible institutions, to carry out a program that provides funds to address the use biomass and small diameter materials.

SEC. 8201. HISPANIC-SERVING INSTITUTION AGRICULTURAL LAND NATIONAL RESOURCES LEADERSHIP PROGRAM.

Authorizes the Secretary to establish an undergraduate scholarship program to assist Hispanic-serving institutions to assist in the retention, recruitment, and training of Hispanics and other under-represented groups in forestry and related fields. Authorizes an appropriation of “such sums as necessary” for fiscal years 2008 through 2012 to carry out the program.

TITLE IX--ENERGY

SEC. 9001. SHORT TITLE; TABLE OF CONTENTS.

SEC. 9002. FEDERAL PROCUREMENT OF BIOBASED PRODUCTS.

Provides for the inclusion of biobased products composed of at least five percent intermediate ingredients and feedstocks in the procurement preference program established under section 9002 of the 2002 Farm Bill. Requires the Secretary to issue criteria for determining which products, intermediate ingredients, and feedstocks will qualify for the USDA Certified Biobased Product label.

SEC. 9003. LOAN GUARANTEES FOR BIOREFINERIES AND BIOFUEL PRODUCTION PLANTS.

Provides for loan guarantees of up to ninety percent of loans used to help pay for development, construction and retrofitting of biorefineries and biofuel production plants to demonstrate the commercial viability of converting biomass to fuels or chemicals.

Loan guarantees may cover up to \$2 billion in loans, split evenly between relatively small plants (up to \$100 million) and larger plants (\$100 - \$250 million). The Secretary determines the maximum loan term.

Selection criteria for the loans follow those for the existing grants program in section 9003 of the 2002 Farm Bill. A new selection criteria is added: the level of local ownership.

SEC. 9004. ENERGY AUDIT AND RENEWABLE ENERGY DEVELOPMENT PROGRAM.

Extends the Energy audit and renewable energy development program, which requires the Secretary make competitive grants to assist farmers, ranchers, and rural small businesses in becoming more energy efficient and in using renewable energy technology and resources.

SEC. 9005. RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENTS.

Renames and reauthorizes the program in section 9006 of the 2002 Farm Bill, which makes grants and authorizes loans and loan guarantees to farmers, ranchers, and rural businesses to cover up to 25% of the purchase renewable energy systems and make energy efficiency improvements. Increases funding from the current \$3 million to \$50 million in 2008, ramping up to \$150 million in 2012. Increases the limit on the maximum amount of the combined loan and

grant from 50% to 75% of the funded activity. Also reserves 15% of funds for projects costing \$50,000 or less.

SEC. 9006. BIOMASS RESEARCH AND DEVELOPMENT ACT OF 2000.

Modifies findings to include biodiesel, and amends technical study areas to clarify that research areas include sugar processing and refining plants. Does not change current law provision that authorizes an additional annual appropriation of \$200 million through 2015.

SEC. 9007. ADJUSTMENTS TO THE BIOENERGY PROGRAM.

Amends the program under section 9010 of the 2002 Farm Bill, which provides payments to producers to encourage increased purchases of eligible commodities for expanding production of bioenergy.

Clarifies that the term “bioenergy” includes (a) the production of heat and power from aneligible feedstock at a biofuels plant, (b) biomass gasification, and (c) hydrogen made from cellulosic commodities for fuel cells. (The term “bioenergy” also includes biodiesel and fuel grade ethanol.)

Excludes corn starch from the list of eligible feedstock under the program.

Increases current funding level of \$0 for 2007 to \$1.5 billion for the 2008-2012 period.

SEC. 9008. RESEARCH, EXTENSION, AND EDUCATIONAL PROGRAMS ON BIOBASED ENERGY TECHNOLOGIES AND PRODUCTS.

Reauthorizes Sun Grants (section 9011 of the 2002 Farm Bill) to promote research, extension, and education related to biobased energy and product technologies. The current authorization for appropriations at a level of \$75 million for 2007-2010 is extended through 2012.

SEC. 9009. ENERGY COUNCIL OF THE DEPARTMENT OF AGRICULTURE.

Creates an Energy Council in the Office of the Secretary at USDA to coordinate energy policy at the Department and consult with other agencies.)

SEC. 9010. FARM ENERGY PRODUCTION PILOT PROGRAM.

Requires the Secretary of Agriculture shall establish a pilot program to provide grants to farmers to demonstrate the feasibility of making farms energy neutral using existing technologies.

SEC. 9011. RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.

Authorizes the Secretary to make cost-share grants to enable eligible rural communities develop renewable energy systems to increase their energy self-sufficiency. Authorizes appropriations of \$5 million in 2008 and such sums as necessary in 2009-2012.

SEC. 9012. AGRICULTURAL BIOFUELS FROM BIOMASS INTERNSHIP PILOT PROGRAM.

Authorizes such sums as necessary for an internship program to encourage students to pursue employment in renewable energy related jobs.

SEC. 9013. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS.

This section amends the Energy Title of the 2002 Farm Bill to require the Secretary to purchase of sugar to produce bioenergy if necessary to avoid forfeitures of sugar to the

Commodity Credit Corporation, and to ensure that the sugar loan program is operated at no cost to the Federal Government.

SEC. 9014. DEDICATED ETHANOL PIPELINE FEASIBILITY STUDIES.

Provides \$1 million for feasibility studies for the construction of a dedicated ethanol pipeline and requires a report to Congress on the results of such studies. (Authorization of appropriations only.)

**TITLE X --HORTICULTURE AND ORGANIC
AGRICULTURE
SUBTITLE A – HONEY AND BEES**

Sec. 10001. ANNUAL REPORT ON RESPONSE TO HONEY BEE COLONY COLLAPSE DISORDER.

- Requires the Secretary to submit a report to Congress on the investigation of honey bee colony collapse and strategies to reduce colony loss.

SUBTITLE B – HORTICULTURE PROVISIONS

Sec. 10101. TREE ASSISTANCE PROGRAM.

- Makes nursery tree growers eligible under the Tree Assistance Program and future disaster assistance programs for which assistance is provided under that program.
- Changes the \$75,000 limitation on assistance to \$150,000 per year.

Sec. 10102. SPECIALTY CROP BLOCK GRANTS.

- Continues the Specialty Crop Block Grant Program through 2012, and increases the mandatory levels of funding from \$40,000,000 in FY '08 to \$75,000,000 for FY '12.

Sec. 10103. ADDITIONAL SECTION 32 FUNDS FOR PURCHASE OF FRUITS, VEGETABLES AND NUTS TO SUPPORT DOMESTIC NUTRITION ASSISTANCE PROGRAMS.

- Increases the additional amounts of Section 32 funds dedicated to fruit, vegetable and nut purchases from \$190,000,000 in FY '08 to \$206,000,000 beginning in 2012.
- Expands the Secretary's purchase discretion to include value-added fruit, vegetable and nut products.

SEC. 10104. INDEPENDENT EVALUATION OF DEPARTMENT OF AGRICULTURE COMMODITY PURCHASE PROCESS.

- Requires an independent evaluation of the commodity purchasing processes and the importance of increasing purchases of specialty crops.

SEC. 10105. QUALITY REQUIREMENTS FOR CLEMENTINES.

- Requires imports of clementines to comply with quality standards set by the domestic marketing order for clementines.

SEC. 10106. IMPLEMENTATION OF FOOD SAFETY PROGRAMS UNDER MARKETING ORDERS.

- Authorizes the implementation of quality-related food safety programs under specialty crop marketing orders.

SEC. 10107. INCLUSION OF SPECIALTY CROPS IN CENSUS OF AGRICULTURE.

- Includes a census of specialty crops as part of the general census of agriculture.

SEC. 10108. MATURITY REQUIREMENTS FOR HASS AVOCADOES.

- Requires the Secretary to issue regulations requiring all Hass avocados sold in the U.S. to meet a minimum maturity requirement.
- Allows for exceptions from this requirement for avocados intended for charities, relief agencies or processing.
- Uses existing inspectors that already inspect avocados under other orders. Also allows the Secretary to collect fees to pay for inspection activities.
- Imposes civil penalties of between \$50 and \$5,000 for each violation.
- Allows for the diversion of avocados that don't meet the maturity requirements.
- Authorizes appropriations for necessary sums.

SEC. 10109. MUSHROOM PROMOTION, RESEARCH AND CONSUMER INFORMATION.

- Reflects the changed geographic distribution of mushroom growers and their productivity by combining the regions that are represented on the Board, and increasing the number of pounds required for representation in the region.
- Allows the development of good agricultural practices and good handling practices under the mushroom research and promotion order.

SEC. 10110. FRESH PRODUCE EDUCATION INITIATIVE.

- Authorizes a program to educate persons involved in the fresh produce industry and the public about ways to reduce pathogens in fresh produce and sanitary handling practices.

SUBTITLE C – PEST AND DISEASE MANAGEMENT.

SEC. 10201. PEST AND DISEASE PROGRAM.

- Establishes a new program to conduct early pest detection and surveillance activities in coordination with state departments of agriculture, to prioritize and create action plans to address pest and disease threats to specialty crops, and to create an audit-based certification approach to protect against the spread of plant pests.
- Provides \$10,000,000 in mandatory funds in FY 2008, increasing to \$100,000,000 for FY 2012.

SEC. 10202. MULTI-SPECIES FRUIT FLY RESEARCH AND STERILE FLY PRODUCTION.

- Authorizes the construction of a warehouse and irradiation containment facility for fruit fly rearing and sterilization in Waimanalo, Hawaii.

- \$15,000,000 is authorized to be appropriated for construction and \$1,000,000 for each fiscal year is authorized to be appropriated for facility maintenance.

SUBTITLE D – ORGANIC AGRICULTURE.

SEC. 10301. NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.

- Provides \$22,000,000 until expended for the national organic certification cost-share program.
- The federal share may not exceed 75% of the cost of certification, and the maximum amount a producer may receive is raised from \$500 to \$750.

SEC. 10302. ORGANIC PRODUCTION AND MARKET DATA.

- Adds pricing of organic products as new data to be included in the ongoing collection of data on agriculture production and marketing.
- The data on organics under this section shall be collected to analyze crop loss risk of organic methods of production.
- Provides \$3,000,000 in mandatory funds until expended.

SUBTITLE E - MISCELLANEOUS PROVISIONS.

SEC. 10401. RESTORATION OF IMPORT AND ENTRY AGRICULTURAL INSPECTION FUNCTIONS TO THE DEPARTMENT OF AGRICULTURE.

- Repeals the transfer of APHIS import and inspection functions to the Department of Homeland Security made under the Department of Homeland Security Act of 2002 and requires the return of those functions to USDA.

SEC. 10402. GRANT PROGRAM TO IMPROVE THE MOVEMENT OF SPECIALTY CROPS.

- The Secretary is authorized to make grants to State and local governments, grower cooperatives, and producer and shipper organizations to improve the cost-effective movement of specialty crops.
- The grant recipient must match the amount of funds received under this program.
- Authorizes appropriations for necessary sums.

SEC. 10403. AUTHORIZATION OF APPROPRIATIONS FOR MARKET NEWS ACTIVITIES REGARDING SPECIALTY CROPS.

- Authorizes necessary funds through 2012 for specialty crop market news activities.

SEC. 10404. FARMER’S MARKET PROMOTION PROGRAM.

- Provides mandatory funds for the Farmer’s Market Promotion Program in the amounts of \$5,000,000 for FY ’08-’10; and \$10,000,000 for FY ’11-12.
- 10% of these funds shall be used to support the use of electronic benefit transfers at farmer’s markets.

SEC. 10405. NATIONAL CLEAN PLANT NETWORK.

- Creates a funding source for clean planting stock and authorizes the Secretary to enter into cooperative agreements to produce, maintain and distribute healthy planting stock.
- Authorizes necessary funds through 2012.

TITLE XI – MISCELLANEOUS PROVISIONS

SUBTITLE A – FEDERAL CROP INSURANCE

SEC. 11001. AVAILABILITY OF SUPPLEMENTAL CROP INSURANCE BASED ON AREA YIELD AND LOSS PLAN OF INSURANCE OR AREA REVENUE PLAN OF INSURANCE.

Beginning not later than the 2008 reinsurance year, requires the Federal Crop Insurance Corporation to provide eligible producers the option to purchase supplemental area-based crop insurance in addition to individual yield or revenue policies, if area coverage is available in the producers' area

Requires the Corporation to pay a portion of the premium of the supplemental coverage

Provides that in the case of a qualifying loss, the total amount of indemnity under the supplemental area coverage shall be available to the producer, regardless of the loss incurred under individual yield or revenue plans of insurance.

SEC. 11002. PREMIUMS AND REINSURANCE REQUIREMENTS.

Section 11002(a) prohibits paying premiums, offering rebates for premiums, or making other inducements to purchase crop insurance or after crop insurance has been purchased, except for administrative fees pursuant to section 508(b)(5)(B) of the Federal Crop Insurance Act or performance-based discounts under section 508(d)(3) of the Act

Section 11002(b) amends the Federal Crop Insurance Act to limit the ability of an insurance provider, cooperative association, or trade association to pay for only catastrophic risk protection administrative fees on behalf of a producer

Section 11002(c) requires that beginning with the 2017 reinsurance year, the Corporation must establish August 1 as the billing date for crop insurance premiums

Section 11002(d)(1) amends section 508(k)(4)(A) of the Federal Crop Insurance Act to provide that beginning with the 2009 reinsurance year, the Corporation shall reimburse insurance providers and agents for administrative and operating expenses at a rate of 22.5 percent of the premium used to define the loss ratio

Section 11002(d)(2) provides that during the year following the reinsurance year ending June 30, 2012, the Corporation may renegotiate the financial terms of the standard reinsurance agreement, and subsequently conduct such renegotiations once during each period of five reinsurance years thereafter. Stipulates that changes in Federal law that require the Corporation to revise the financial terms of the standard reinsurance agreement will not be considered to be a renegotiation of the agreement. Provides that approved insurance providers may confer with each other during the renegotiation process.

Section 11002(e) requires that beginning with the 2017 reinsurance year, the Corporation make administrative and operating expense payments during October 2017, and every October thereafter

SEC. 11003. RESEARCH AND DEVELOPMENT CONTRACTS FOR ORGANIC PRODUCTION COVERAGE IMPROVEMENTS.

Mandates that the Corporation enter into one or more contracts for the development of improvements in Federal crop insurance policies for organically raised crops.

Any such contracts must review the underwriting, risk, and loss experience of organic crops in order for the Corporation to determine variation in loss history between organic and non-organic production. The Corporation shall eliminate or reduce the premium surcharge if it is necessary, based on the Corporation's determination following the review.

Provides that a contract include the development of a procedure to offer producers of organic crops an additional price election reflecting actual retail or wholesale prices received.

Requires that the Corporation submit an annual report to Congress on the progress made in developing and improving Federal crop insurance for organic crops.

SEC. 11004. TARGETING RISK MANAGEMENT EDUCATION FOR BEGINNING FARMERS AND RANCHERS AND CERTAIN OTHER FARMERS AND RANCHERS.

Requires the Secretary to include a special emphasis on risk management strategies and education and outreach to beginning farmers and ranchers, immigrant farmers and ranchers attempting to become established producers in the United States, socially disadvantaged farmers and ranchers, farmers and ranchers who are preparing to retire and are trying to help new farmers and ranchers get started, and farmers and ranchers who are converting production and marketing systems to new markets.

SEC. 11005. CROP INSURANCE INELIGIBILITY RELATED TO CROP PRODUCTION ON NONCROPLAND.

Defines "noncropland" as rangeland, forestland, and native grassland that has not been used for crop production during any five years since the 1986 crop year, or three consecutive years since the 1986 crop year

Provides that noncropland acreage planted with an agricultural commodity for which insurance is available under this title is not eligible for crop insurance under this title for the first four years of planting. In the fifth year of planting, the producer may purchase crop insurance for the commodity. The yield for such insurance shall be determined by using actual production history for the farm and, for years without actual production history, using the average actual production history for the commodity in the county.

SEC. 11006. CHANGE IN DUE DATE FOR CORPORATION PAYMENTS FOR UNDERWRITING GAINS.

Beginning with the 2016 reinsurance year, directs the Corporation to make payments for underwriting gains on October 1, 2017, and for each subsequent reinsurance year, on October 1 of the next calendar year

SEC. 11007. SESAME INSURANCE PILOT PROGRAM.

Requires the Secretary to establish a pilot program under which sesame producers in the State of Texas may obtain crop insurance.

SUBTITLE B – LIVESTOCK AND POULTRY

SEC. 11101. REPEAL OF PROHIBITION ON MANDATORY IDENTIFICATION SYSTEM FOR COUNTRY OF ORIGIN LABELING.

The Secretary may use already existing certification systems as a model for a system to certify the country-of-origin of a covered commodity.

SEC. 11102. SENSE OF CONGRESS REGARDING PSEUDORABIES ERADICATION.

Expresses the sense of Congress that the eradication of pseudorabies is a high priority that should be carried out under the authorities of the Animal Health Protection Act.

SEC. 11103. ARBITRATION OF LIVESTOCK AND POULTRY CONTRACTS.

Amends the Packers and Stockyards Act to provide that if a livestock or poultry contract provides for arbitration to resolve a controversy under the contract, arbitration may only be used if, after the controversy arises, both parties consent in writing to use arbitration

SEC. 11104. SENSE OF CONGRESS REGARDING THE VOLUNTARY CONTROL PROGRAM FOR LOW PATHOGENIC AVIAN INFLUENZA.

Expresses the sense of Congress that the voluntary control program for low pathogenic avian influenza is a critical component of the animal health protection system, and that the Secretary should continue to provide 100 percent compensation for eligible costs to owners of poultry and cooperating States

SEC. 11105. SENSE OF CONGRESS REGARDING THE CATTLE FEVER TICK ERADICATION PROGRAM.

Expresses the sense of Congress that implementing a national strategic plan for the cattle fever tick eradication program is a high priority in order to identify and procure the necessary tools to prevent and eradicate fever ticks in the United States

SEC. 11106. SENSE OF CONGRESS REGARDING STATE INSPECTED MEAT AND POULTRY PRODUCTS.

Expresses the sense of Congress that the food supply in the United States continues to be the safest in the world, and that State inspected meat and poultry products are safe and wholesome and should be available to consumers nationwide

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.

Amends section 2501 of the Food, Agriculture, Conservation, and Trade Act (FACT Act) to specify that the technical and outreach assistance program be used to enhance the coordination, outreach, technical assistance, and education efforts authorized under agriculture programs; reach socially disadvantaged farmers and ranchers; and improve the participation of socially disadvantaged farmers and ranchers in Department of Agriculture programs.

- Authorizes eligible entities to make grants and enter into contracts and cooperative agreements with the Department of Agriculture.

- Requires the Secretary to submit an annual report to the Congress on the accomplishments of the outreach and technical assistance program for socially disadvantaged and limited resource farmers and ranchers, and describe any gaps or problems in service delivery.
- Authorizes the Secretary to provide, from the funds of the Commodity Credit Corporation, \$15 million for each of fiscal years 2008 through 2012.

SEC. 11202. IMPROVED PROGRAM DELIVERY BY DEPARTMENT OF AGRICULTURE ON INDIAN RESERVATIONS.

Amends section 2501(g) of the FACT Act by authorizing the Secretary to require the Agricultural Stabilization and Conservation Service office, the Soil Conservation Service office, the Farm Service Agency office, and any such offices and functions that the Secretary chooses to include, to establish a consolidated suboffice at tribal headquarters on reservations, where there is a demonstrated need.

SEC. 11203. TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.

Amends section 2501A of the FACT Act, by authorizing the Secretary to annually compile, for each county and State in the United States, program application and participation rate data regarding socially disadvantaged farmers and ranchers.

- Authorizes the Secretary, using the technologies and systems of the National Agricultural Statistics Service, to compile and present application and participation rate data regarding socially disadvantaged farmers and ranchers; requires the Secretary to make the data available to the public.

SEC. 11204. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.

Amends section 7405 of the Farm Security and Rural Investment Act by providing \$15 million in mandatory funding for each of the fiscal years 2008 through 2012 for the Beginning Farmer and Rancher Development Program, which provides training, education, outreach and technical assistance initiatives for beginning farmers and ranchers.

SEC. 11205. PROVISION FOR RECEIPT OF SERVICE OR DENIAL OF SERVICE.

Authorizes the Secretary to provide a receipt for service or denial of service to a producer or landowner, or prospective producer or landowner, whenever the producer or landowner or prospective producer or landowner makes a request for a receipt.

SEC. 11206. TRACKING OF SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND LIMITED RESOURCE FARMERS AND RANCHERS IN CENSUS OF AGRICULTURE AND CERTAIN STUDIES.

Authorizes the Secretary to ensure, to the maximum extent possible, that the Census of Agriculture accurately documents the number, location, and economic contributions of socially disadvantaged and limited resource farmers and ranchers.

SEC. 11207. FARMWORKER COORDINATOR.

Authorizes the Secretary to establish the position of Farmworker Coordinator, to be located in the Office of Outreach of the Department of Agriculture. The Farmworker Coordinator is to have a number of duties, including serving as a liaison to community-based non-profit organizations that represent low income migrant and seasonal farmworkers; coordinating with the Department of Agriculture and State and local governments to assure that farmworker needs are met during declared disasters and emergencies; and assuring that farmworkers have access to services and support to enter agriculture as producers.

Authorizes an appropriation of such sums as necessary for fiscal years 2008 through 2012.

SEC. 11208. OFFICE OF OUTREACH RELOCATION.

Authorizes the Secretary to develop a proposal to relocate the Office of Outreach of the Department of Agriculture. The language specifies that the Office of Outreach will be responsible for the outreach and technical assistance program (2501) and the beginning farmer and rancher development program.

SEC. 11209. MINORITY ADVISORY COMMITTEE.

Authorizes the Secretary to establish a minority advisory committee, to be overseen by the Office of Outreach of the Department of Agriculture. The committee will have a number of duties including: reviewing civil rights cases to ensure that they are processed in a timely manner; reporting quarterly to the Secretary of Agriculture on civil rights enforcement and outreach; and recommending to the Secretary corrective actions to prevent civil rights violations.

SUBTITLE D – OTHER MISCELLANEOUS PROVISIONS

SEC. 11301. DESIGNATION OF SEPARATE COTTON-PRODUCING STATES UNDER COTTON RESEARCH AND PROMOTION ACT.

Amends the definition of “cotton-producing State” in the Cotton Research and Promotion Act to include Kansas, Virginia, and Florida as each being considered separate cotton producing States under the Act, beginning with the 2008 crop of cotton.

SEC. 11302. COTTON CLASSIFICATION SERVICES.

Extends the authority of the Secretary to make cotton classification services available to producers of cotton and to collect classification fees from participating producers.

SEC. 11303. AVAILABILITY OF EXCESS AND SURPLUS COMPUTERS IN RURAL AREAS.

Provides that the Secretary may make surplus USDA computers or technical equipment available to any city or town in a rural area.

Addendum

The following should be added to title V:

SEC.5025 (525).RURAL DEVELOPMENT AND FARM LOAN PROGRAM ACTIVITIES.

Prohibits the Secretary from entering into a contract with a private party to carry out competitive sourcing activities related to rural development and farm loan programs.

The following has been deleted from title IX, section 9007 of this document:

“Increases current funding level of \$0 for 2007 to \$1.5 billion for the 2008-2012 period.”