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(Original Signature of Member)

113TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2018, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. LUCAS (for himself and Mr. PETERSON) introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2018, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

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

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “Federal Agriculture Reform and Risk Management Act  
6       of 2013”.

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

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

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

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

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- Sec. 1301. Sugar program.

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

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- Sec. 1411. Establishment of dairy producer margin protection program.
- Sec. 1412. Participation of dairy producers in margin protection program.
- Sec. 1413. Production history of participating dairy producers.
- Sec. 1414. Basic margin protection.
- Sec. 1415. Supplemental margin protection.
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- Sec. 1451. Use of Commodity Credit Corporation.

SUBPART D—INITIATION AND DURATION

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

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- Sec. 1481. Repeal of dairy product price support and milk income loss contract programs.
- Sec. 1482. Repeal of dairy export incentive program.
- Sec. 1483. Extension of dairy forward pricing program.
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- Sec. 2004. Duties of the Secretary.
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- Sec. 2007. Conversion of land subject to contract to other conserving uses.
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- Sec. 7302. Integrated research, education, and extension competitive grants program.
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- Sec. 7408. Repeal of use of remote sensing data.
- Sec. 7409. Repeal of reports under Farm Security and Rural Investment Act of 2002.
- Sec. 7410. Beginning farmer and rancher development program.
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- Sec. 8401. Revision of strategic plan for forest inventory and analysis.
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- Sec. 9002. Biobased markets program.
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- Sec. 10001. Specialty crops market news allocation.
- Sec. 10002. Repeal of grant program to improve movement of specialty crops.
- Sec. 10003. Farmers market and local food promotion program.
- Sec. 10004. Organic agriculture.
- Sec. 10005. Investigations and enforcement of the Organic Foods Production Act of 1990.
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- Sec. 10008. Report on honey.
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- Sec. 10010. Inclusion of olive oil in import controls under the Agricultural Adjustment Act.
- Sec. 10011. Consolidation of plant pest and disease management and disaster prevention programs.
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- Sec. 11004. Premium amounts for catastrophic risk protection.
- Sec. 11005. Repeal of performance-based discount.
- Sec. 11006. Permanent enterprise unit subsidy.
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- Sec. 11013. Crop production on native sod.
- Sec. 11014. Coverage levels by practice.
- Sec. 11015. Beginning farmer and rancher provisions.
- Sec. 11016. Stacked income protection plan for producers of upland cotton.
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- Sec. 11018. Authority to correct errors.
- Sec. 11019. Implementation.
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- Sec. 12201. Outreach and assistance for socially disadvantaged farmers and ranchers and veteran farmers and ranchers.
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- Sec. 12301. Grants to improve supply, stability, safety, and training of agricultural labor force.
- Sec. 12302. Program benefit eligibility status for participants in high plains water study.
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- Sec. 12306. Noninsured crop assistance program.
- Sec. 12307. Ensuring high standards for agency use of scientific information.

1 **SEC. 2. DEFINITION OF SECRETARY OF AGRICULTURE.**

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

4 **TITLE I—COMMODITIES**

5 **Subtitle A—Repeals and Reforms**

6 **SEC. 1101. REPEAL OF DIRECT PAYMENTS.**

7 (a) REPEAL.—Sections 1103 and 1303 of the Food,  
8 Conservation, and Energy Act of 2008 (7 U.S.C. 8713,  
9 8753) are repealed.

10 (b) CONTINUED APPLICATION FOR 2013 CROP  
11 YEAR.—Sections 1103 and 1303 of the Food, Conserva-  
12 tion, and Energy Act of 2008 (7 U.S.C. 8713, 8753), as  
13 in effect on the day before the date of enactment of this  
14 Act, shall continue to apply through the 2013 crop year  
15 with respect to all covered commodities (as defined in sec-  
16 tion 1001 of that Act (7 U.S.C. 8702)) and peanuts on  
17 a farm.

18 (c) CONTINUED APPLICATION FOR 2014 AND 2015  
19 CROP YEARS.—Subject to this subtitle, the amendments  
20 made by sections 1603 and 1604 of this Act, and sections  
21 1607 and 1611 of this Act, section 1103 of the Food, Con-  
22 servation and Energy Act of 2008 (7 U.S.C. 8713), as  
23 in effect on the day before the date of enactment of this  
24 Act, shall continue to apply through the 2014 and 2015  
25 crop years with respect to upland cotton only (as defined  
26 in section 1001 of that Act (7 U.S.C. 8702)), except that,

1 in applying such section 1103, the term “payment acres”  
2 means the following:

3 (1) For crop year 2014, 70 percent of the base  
4 acres of upland cotton on a farm on which direct  
5 payments are made.

6 (2) For crop year 2015, 60 percent of the base  
7 acres of upland cotton on a farm on which direct  
8 payments are made.

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

10 (a) REPEAL.—Sections 1104 and 1304 of the Food,  
11 Conservation, and Energy Act of 2008 (7 U.S.C. 8714,  
12 8754) are repealed.

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

21 **SEC. 1103. REPEAL OF AVERAGE CROP REVENUE ELECTION**  
22 **PROGRAM.**

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

1 (b) CONTINUED APPLICATION FOR 2013 CROP  
2 YEAR.—Section 1105 of the Food, Conservation, and En-  
3 ergy Act of 2008 (7 U.S.C. 8715), as in effect on the day  
4 before the date of enactment of this Act, shall continue  
5 to apply through the 2013 crop year with respect to all  
6 covered commodities (as defined in section 1001 of that  
7 Act (7 U.S.C. 8702)) and peanuts on a farm for which  
8 the irrevocable election under section 1105 of that Act was  
9 made before the date of enactment of this Act.

10 **SEC. 1104. DEFINITIONS.**

11 In this subtitle and subtitle B:

12 (1) ACTUAL COUNTY REVENUE.—The term “ac-  
13 tual county revenue”, with respect to a covered com-  
14 modity for a crop year, means the amount deter-  
15 mined by the Secretary under section 1107(c)(4) to  
16 determine whether revenue loss coverage payments  
17 are required to be provided for that crop year.

18 (2) BASE ACRES.—The term “base acres”, with  
19 respect to a covered commodity and cotton on a  
20 farm, means the number of acres established under  
21 section 1101 and 1302 of the Farm Security and  
22 Rural Investment Act of 2002 (7 U.S.C. 7911,  
23 7952) or section 1101 and 1302 of the Food, Con-  
24 servation, and Energy Act of 2008 (7 U.S.C. 8711,  
25 8752), as in effect on September 30, 2013, subject

1 to any adjustment under section 1105 of this Act.  
2 For purposes of making payments under subsections  
3 (b) and (c) of section 1107, base acres are reduced  
4 by the payment acres calculated in 1101(c).

5 (3) COUNTY REVENUE LOSS COVERAGE TRIG-  
6 GER.—The term “county revenue loss coverage trig-  
7 ger”, with respect to a covered commodity for a crop  
8 year, means the amount determined by the Secretary  
9 under section 1107(c)(5) to determine whether rev-  
10 enue loss coverage payments are required to be pro-  
11 vided for that crop year.

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

18 (5) EFFECTIVE PRICE.—The term “effective  
19 price”, with respect to a covered commodity for a  
20 crop year, means the price calculated by the Sec-  
21 retary under section 1107(b)(2) to determine wheth-  
22 er price loss coverage payments are required to be  
23 provided for that crop year.

24 (6) EXTRA LONG STAPLE COTTON.—The term  
25 “extra long staple cotton” means cotton that—

1 (A) is produced from pure strain varieties  
2 of the Barbados species or any hybrid of the  
3 species, or other similar types of extra long sta-  
4 ple cotton, designated by the Secretary, having  
5 characteristics needed for various end uses for  
6 which United States upland cotton is not suit-  
7 able and grown in irrigated cotton-growing re-  
8 gions of the United States designated by the  
9 Secretary or other areas designated by the Sec-  
10 retary as suitable for the production of the vari-  
11 eties or types; and

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

15 (7) FARM BASE ACRES.—The term “farm base  
16 acres” means the sum of the base acreage for all  
17 covered commodities and cotton on a farm in effect  
18 as of September 30, 2013, and subject to any ad-  
19 justment under section 1105.

20 (8) MEDIUM GRAIN RICE.—The term “medium  
21 grain rice” includes short grain rice.

22 (9) MIDSEASON PRICE.—The term “midseason  
23 price” means the applicable national average market  
24 price received by producers for the first 5 months of

1 the applicable marketing year, as determined by the  
2 Secretary.

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

8 (11) PAYMENT ACRES.—

9 (A) IN GENERAL.—Except as provided in  
10 subparagraphs (B) through (D), the term “pay-  
11 ment acres”, with respect to the provision of  
12 price loss coverage payments and revenue loss  
13 coverage payments, means—

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

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

20 (B) MAXIMUM.—The total quantity of pay-  
21 ment acres determined under subparagraph (A)  
22 shall not exceed the farm base acres.

23 (C) REDUCTION.—If the sum of all pay-  
24 ment acres for a farm exceeds the limits estab-  
25 lished under subparagraph (B), the Secretary

1 shall reduce the payment acres applicable to  
2 each crop proportionately.

3 (D) EXCLUSION.—The term “payment  
4 acres” does not include any crop subsequently  
5 planted during the same crop year on the same  
6 land for which the first crop is eligible for pay-  
7 ments under this subtitle, unless the crop was  
8 approved for double cropping in the county, as  
9 determined by the Secretary.

10 (12) PAYMENT YIELD.—The term “payment  
11 yield” means the yield established for counter-cycli-  
12 cal payments under section 1102 or 1302 of the  
13 Farm Security and Rural Investment Act of 2002 (7  
14 U.S.C. 7912, 7952), section 1102 of the Food, Con-  
15 servation, and Energy Act of 2008 (7 U.S.C. 8712),  
16 as in effect on September 30, 2013, or under section  
17 1106 of this Act, for a farm for a covered com-  
18 modity.

19 (13) PRICE LOSS COVERAGE.—The term “price  
20 loss coverage” means coverage provided under sec-  
21 tion 1107(b).

22 (14) PRODUCER.—

23 (A) IN GENERAL.—The term “producer”  
24 means an owner, operator, landlord, tenant, or  
25 sharecropper that shares in the risk of pro-

1           ducing a crop and is entitled to share in the  
2           crop available for marketing from the farm, or  
3           would have shared had the crop been produced.

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

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

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

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

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

19                   (A) Wheat, \$5.50 per bushel.

20                   (B) Corn, \$3.70 per bushel.

21                   (C) Grain sorghum, \$3.95 per bushel.

22                   (D) Barley, \$4.95 per bushel.

23                   (E) Oats, \$2.40 per bushel.

24                   (F) Long grain rice, \$14.00 per hundred-  
25           weight.

1 (G) Medium grain rice, \$14.00 per hun-  
2 dredweight.

3 (H) Soybeans, \$8.40 per bushel.

4 (I) Other oilseeds, \$20.15 per hundred-  
5 weight.

6 (J) Peanuts \$535.00 per ton.

7 (K) Dry peas, \$11.00 per hundredweight.

8 (L) Lentils, \$19.97 per hundredweight.

9 (M) Small chickpeas, \$19.04 per hundred-  
10 weight.

11 (N) Large chickpeas, \$21.54 per hundred-  
12 weight.

13 (17) REVENUE LOSS COVERAGE.—The term  
14 “revenue loss coverage” means coverage provided  
15 under section 1107(c).

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

18 (19) STATE.—The term “State” means—

19 (A) a State;

20 (B) the District of Columbia;

21 (C) the Commonwealth of Puerto Rico;

22 and

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

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

6           (21) TRANSITIONAL YIELD.—The term “transi-  
7           tional yield” has the meaning given the term in sec-  
8           tion 502(b) of the Federal Crop Insurance Act (7  
9           U.S.C. 1502(b)).

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

13          (23) UNITED STATES PREMIUM FACTOR.—The  
14          term “United States Premium Factor” means the  
15          percentage by which the difference in the United  
16          States loan schedule premiums for Strict Middling  
17          (SM) 1<sup>1</sup>/<sub>8</sub>-inch upland cotton and for Middling (M)  
18          1<sup>3</sup>/<sub>32</sub>-inch upland cotton exceeds the difference in the  
19          applicable premiums for comparable international  
20          qualities.

21 **SEC. 1105. BASE ACRES.**

22          (a) ADJUSTMENT OF BASE ACRES.—

23                  (1) IN GENERAL.—The Secretary shall provide  
24          for an adjustment, as appropriate, in the base acres

1 for covered commodities and cotton for a farm when-  
2 ever any of the following circumstances occurs:

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

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

10 (C) The producer has eligible oilseed acre-  
11 age as the result of the Secretary designating  
12 additional oilseeds, which shall be determined in  
13 the same manner as eligible oilseed acreage  
14 under section 1101(a)(1)(D) of the Food, Con-  
15 servation, and Energy Act of 2008 (7 U.S.C.  
16 8711(a)(1)(D)).

17 (2) SPECIAL CONSERVATION RESERVE ACREAGE  
18 PAYMENT RULES.—For the crop year in which a  
19 base acres adjustment under subparagraph (A) or  
20 (B) of paragraph (1) is first made, the owner of the  
21 farm shall elect to receive price loss coverage or rev-  
22 enue loss coverage with respect to the acreage added  
23 to the farm under this subsection or a prorated pay-  
24 ment under the conservation reserve contract, but  
25 not both.

1 (b) PREVENTION OF EXCESS BASE ACRES.—

2 (1) REQUIRED REDUCTION.—If the sum of the  
3 base acres for a farm, together with the acreage de-  
4 scribed in paragraph (2) exceeds the actual cropland  
5 acreage of the farm, the Secretary shall reduce the  
6 base acres for 1 or more covered commodities or cot-  
7 ton for the farm so that the sum of the base acres  
8 and acreage described in paragraph (2) does not ex-  
9 ceed the actual cropland acreage of the farm.

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

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

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

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

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

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

10          (c) REDUCTION IN BASE ACRES.—

11           (1) REDUCTION AT OPTION OF OWNER.—

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

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

19           (2) REQUIRED ACTION BY SECRETARY.—

20           (A) IN GENERAL.—The Secretary shall  
21           proportionately reduce base acres on a farm for  
22           covered commodities and cotton for land that  
23           has been subdivided and developed for multiple  
24           residential units or other nonfarming uses if the  
25           size of the tracts and the density of the subdivi-

1           sion is such that the land is unlikely to return  
2           to the previous agricultural use, unless the pro-  
3           ducers on the farm demonstrate that the land—

4                   (i) remains devoted to commercial ag-  
5                   ricultural production; or

6                   (ii) is likely to be returned to the pre-  
7                   vious agricultural use.

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

11 **SEC. 1106. PAYMENT YIELDS.**

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

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

21                   (1) DETERMINATION OF AVERAGE YIELD.—In  
22                   the case of designated oilseeds, the Secretary shall  
23                   determine the average yield per planted acre for the  
24                   designated oilseed on a farm for the 1998 through  
25                   2001 crop years, excluding any crop year in which

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

3 (2) ADJUSTMENT FOR PAYMENT YIELD.—

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

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

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

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

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

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

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

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

14 (1) ESTABLISHMENT BY SECRETARY.—If no  
15 payment yield is otherwise established for a farm for  
16 which a covered commodity is planted and eligible to  
17 receive price loss coverage payments, the Secretary  
18 shall establish an appropriate payment yield for the  
19 covered commodity on the farm under paragraph  
20 (2).

21 (2) USE OF SIMILARLY SITUATED FARMS.—To  
22 establish an appropriate payment yield for a covered  
23 commodity on a farm as required by paragraph (1),  
24 the Secretary shall take into consideration the farm  
25 program payment yields applicable to that covered

1 commodity for similarly situated farms. The use of  
2 such data in an appeal, by the Secretary or by the  
3 producer, shall not be subject to any other provision  
4 of law.

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

7 (1) ELECTION TO UPDATE.—At the sole discre-  
8 tion of the owner of a farm, the owner of a farm  
9 shall have a 1-time opportunity to update the pay-  
10 ment yields on a covered commodity-by-covered com-  
11 modity basis that would otherwise be used in calcu-  
12 lating any price loss coverage payment for covered  
13 commodities on the farm.

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

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

1       terminated by the Secretary, excluding any crop year  
2       in which the acreage planted to the crop of the cov-  
3       ered commodity was zero.

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

13           (5) EFFECT OF LACK OF PAYMENT YIELD.—

14           (A) ESTABLISHMENT BY SECRETARY.—  
15      For purposes of this subsection, if no payment  
16      yield is otherwise established for a covered com-  
17      modity on a farm, the Secretary shall establish  
18      an appropriate updated payment yield for the  
19      covered commodity on the farm under subpara-  
20      graph (B).

21           (B) USE OF SIMILARLY SITUATED  
22      FARMS.—To establish an appropriate payment  
23      yield for a covered commodity on a farm as re-  
24      quired by subparagraph (A), the Secretary shall  
25      take into consideration the farm program pay-

1           ment yields applicable to that covered com-  
2           modity for similarly situated farms. The use of  
3           such data in an appeal, by the Secretary or by  
4           the producer, shall not be subject to any other  
5           provision of law.

6 **SEC. 1107. FARM RISK MANAGEMENT ELECTION.**

7           (a) IN GENERAL.—

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

15                (2) PROHIBITION ON PAYMENTS; EXCEP-  
16          TIONS.—Notwithstanding any other provision of this  
17          title, a producer on a farm may not receive price loss  
18          coverage payments or revenue loss coverage pay-  
19          ments if the sum of the planted acres of covered  
20          commodities on the farm is 10 acres or less, as de-  
21          termined by the Secretary, unless the producer is—

22                    (A) a socially disadvantaged farmer or  
23                    rancher (as defined in section 355(e) of the  
24                    Consolidated Farm and Rural Development Act  
25                    (7 U.S.C. 2003(e))); or

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

3 (b) PRICE LOSS COVERAGE.—

4 (1) PAYMENTS.—For each of the 2014 through  
5 2018 crop years, the Secretary shall make price loss  
6 coverage payments to producers on a farm for a cov-  
7 ered commodity if the Secretary determines that—

8 (A) the effective price for the covered com-  
9 modity for the crop year; is less than

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

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

15 (A) the midseason price; or

16 (B) the national average loan rate for a  
17 marketing assistance loan for the covered com-  
18 modity in effect for crop years 2014 through  
19 2018 under subtitle B.

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

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

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

1           (4) PAYMENT AMOUNT.—If price loss coverage  
2           payments are required to be provided under this  
3           subsection for any of the 2014 through 2018 crop  
4           years for a covered commodity, the amount of the  
5           price loss coverage payment to be paid to the pro-  
6           ducers on a farm for the crop year shall be equal to  
7           the product obtained by multiplying—

8                   (A) the payment rate for the covered com-  
9                   modity under paragraph (3);

10                   (B) the payment yield for the covered com-  
11                   modity; and

12                   (C) the payment acres for the covered com-  
13                   modity.

14           (5) TIME FOR PAYMENTS.—If the Secretary de-  
15           termines under this subsection that price loss cov-  
16           erage payments are required to be provided for the  
17           covered commodity, the payments shall be made be-  
18           ginning October 1, or as soon as practicable there-  
19           after, after the end of the applicable marketing year  
20           for the covered commodity.

21           (6) SPECIAL RULE FOR BARLEY.—In deter-  
22           mining the effective price for barley in paragraph  
23           (2), the Secretary shall use the all-barley price.

24           (7) SPECIAL RULE FOR TEMPERATE JAPONICA  
25           RICE.—The Secretary shall provide a reference price

1 with respect to temperate japonica rice in an amount  
2 equal to 115 percent of the amount established in  
3 subparagraphs (F) and (G) of section 1104(16) in  
4 order to reflect price premiums.

5 (c) REVENUE LOSS COVERAGE.—

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

18 (2) PAYMENTS.—In the case of owners of a  
19 farm that make the election described in paragraph  
20 (1) for a covered commodity, the Secretary shall  
21 make revenue loss coverage payments available  
22 under this subsection for each of the 2014 through  
23 2018 crop years if the Secretary determines that—

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

1 (B) the county revenue loss coverage trig-  
2 ger for the crop year for the covered com-  
3 modity.

4 (3) TIME FOR PAYMENTS.—If the Secretary de-  
5 termines under this subsection that revenue loss cov-  
6 erage payments are required to be provided for the  
7 covered commodity, payments shall be made begin-  
8 ning October 1, or as soon as practicable thereafter,  
9 after the end of the applicable marketing year for  
10 the covered commodity.

11 (4) ACTUAL COUNTY REVENUE.—The amount  
12 of the actual county revenue for a crop year of a  
13 covered commodity shall be equal to the product ob-  
14 tained by multiplying—

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

18 (B) the higher of—

19 (i) the midseason price; or

20 (ii) the national average loan rate for  
21 a marketing assistance loan for the covered  
22 commodity in effect for crop years 2014  
23 through 2018 under subtitle B.

24 (5) COUNTY REVENUE LOSS COVERAGE TRIG-  
25 GER.—

1 (A) IN GENERAL.—The county revenue  
2 loss coverage trigger for a crop year for a cov-  
3 ered commodity on a farm shall equal 85 per-  
4 cent of the benchmark county revenue.

5 (B) BENCHMARK COUNTY REVENUE.—

6 (i) IN GENERAL.—The benchmark  
7 county revenue shall be the product ob-  
8 tained by multiplying—

9 (I) subject to clause (ii), the av-  
10 erage historical county yield as deter-  
11 mined by the Secretary for the most  
12 recent 5 crop years, excluding each of  
13 the crop years with the highest and  
14 lowest yields; and

15 (II) subject to clause (iii), the av-  
16 erage national marketing year average  
17 price for the most recent 5 crop years,  
18 excluding each of the crop years with  
19 the highest and lowest prices.

20 (ii) YIELD CONDITIONS.—If the his-  
21 torical county yield in clause (i)(I) for any  
22 of the 5 most recent crop years, as deter-  
23 mined by the Secretary, is less than 70  
24 percent of the transitional yield, as deter-  
25 mined by the Secretary, the amounts used

1 for any of those years in clause (i)(I) shall  
2 be 70 percent of the transitional yield.

3 (iii) REFERENCE PRICE.—If the na-  
4 tional marketing year average price in  
5 clause (i)(II) for any of the 5 most recent  
6 crop years is lower than the reference price  
7 for the covered commodity, the Secretary  
8 shall use the reference price for any of  
9 those years for the amounts in clause  
10 (i)(II).

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

13 (A) the difference between—

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

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

18 (B) 10 percent of the benchmark county  
19 revenue for the crop year for the covered com-  
20 modity.

21 (7) PAYMENT AMOUNT.—If revenue loss cov-  
22 erage payments under this subsection are required  
23 to be provided for any of the 2014 through 2018  
24 crop years of a covered commodity, the amount of  
25 the revenue loss coverage payment to be provided to

1 the producers on a farm for the crop year shall be  
2 equal to the product obtained by multiplying—

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

4 and

5 (B) the payment acres of the covered com-  
6 modity on the farm.

7 (8) DUTIES OF THE SECRETARY.—In providing  
8 revenue loss coverage payments under this sub-  
9 section, the Secretary—

10 (A) shall ensure that producers on a farm  
11 do not reconstitute the farm of the producers to  
12 void or change the election made under para-  
13 graph (1);

14 (B) to the maximum extent practicable,  
15 shall use all available information and analysis,  
16 including data mining, to check for anomalies  
17 in the provision of revenue loss coverage pay-  
18 ments;

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

1 (D) shall assign a benchmark county yield  
2 for each planted acre for the crop year for the  
3 covered commodity on the basis of the yield his-  
4 tory of representative farms in the State, re-  
5 gion, or crop reporting district, as determined  
6 by the Secretary, if—

7 (i) the Secretary cannot establish the  
8 benchmark county yield for each planted  
9 acre for a crop year for a covered com-  
10 modity in the county in accordance with  
11 paragraph (5); or

12 (ii) the yield determined under para-  
13 graph (5) is an unrepresentative average  
14 yield for the county (as determined by the  
15 Secretary); and

16 (E) to the maximum extent practicable,  
17 shall ensure that in order to be eligible for a  
18 payment under this subsection, the producers  
19 on the farm suffered an actual loss on the cov-  
20 ered commodity for the crop year for which  
21 payment is sought.

22 **SEC. 1108. PRODUCER AGREEMENTS.**

23 (a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

24 (1) REQUIREMENTS.—Before the producers on  
25 a farm may receive payments under this subtitle

1 with respect to the farm, the producers shall agree,  
2 during the crop year for which the payments are  
3 made and in exchange for the payments—

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

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

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

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

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

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

1 (1) TERMINATION.—

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

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

13 (2) EXCEPTION.—If a producer entitled to a  
14 payment under this subtitle dies, becomes incom-  
15 petent, or is otherwise unable to receive the pay-  
16 ment, the Secretary shall make the payment in ac-  
17 cordance with rules issued by the Secretary.

18 (c) ACREAGE REPORTS.—As a condition on the re-  
19 ceipt of any benefits under this subtitle or subtitle B, the  
20 Secretary shall require producers on a farm to submit to  
21 the Secretary annual acreage reports with respect to all  
22 cropland on the farm.

23 (d) TENANTS AND SHARECROPPERS.—In carrying  
24 out this subtitle, the Secretary shall provide adequate safe-

1 guards to protect the interests of tenants and share-  
2 croppers.

3 (e) SHARING OF PAYMENTS.—The Secretary shall  
4 provide for the sharing of payments made under this sub-  
5 title among the producers on a farm on a fair and equi-  
6 table basis.

7 **SEC. 1109. PERIOD OF EFFECTIVENESS.**

8 This subtitle shall be effective beginning with the  
9 2014 crop year of each covered commodity through the  
10 2018 crop year.

11 **Subtitle B—Marketing Loans**

12 **SEC. 1201. AVAILABILITY OF NONRECOURSE MARKETING**  
13 **ASSISTANCE LOANS FOR LOAN COMMOD-**  
14 **ITIES.**

15 (a) DEFINITION OF LOAN COMMODITY.—In this sub-  
16 title, the term “loan commodity” means wheat, corn, grain  
17 sorghum, barley, oats, upland cotton, extra long staple  
18 cotton, long grain rice, medium grain rice, peanuts, soy-  
19 beans, other oilseeds, graded wool, nongraded wool, mo-  
20 hair, honey, dry peas, lentils, small chickpeas, and large  
21 chickpeas.

22 (b) NONRECOURSE LOANS AVAILABLE.—

23 (1) IN GENERAL.—For each of the 2014  
24 through 2018 crops of each loan commodity, the  
25 Secretary shall make available to producers on a

1 farm nonrecourse marketing assistance loans for  
2 loan commodities produced on the farm.

3 (2) TERMS AND CONDITIONS.—The marketing  
4 assistance loans shall be made under terms and con-  
5 ditions that are prescribed by the Secretary and at  
6 the loan rate established under section 1202 for the  
7 loan commodity.

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

12 (d) COMPLIANCE WITH CONSERVATION AND WET-  
13 LANDS REQUIREMENTS.—As a condition of the receipt of  
14 a marketing assistance loan under subsection (b), the pro-  
15 ducer shall comply with applicable conservation require-  
16 ments under subtitle B of title XII of the Food Security  
17 Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wet-  
18 land protection requirements under subtitle C of title XII  
19 of that Act (16 U.S.C. 3821 et seq.) during the term of  
20 the loan.

21 (e) SPECIAL RULES FOR PEANUTS.—

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

24 (2) OPTIONS FOR OBTAINING LOAN.—A mar-  
25 keting assistance loan under this section, and loan

1       deficiency payments under section 1205, may be ob-  
2       tained at the option of the producers on a farm  
3       through—

4               (A) a designated marketing association or  
5       marketing cooperative of producers that is ap-  
6       proved by the Secretary; or

7               (B) the Farm Service Agency.

8       (3) STORAGE OF LOAN PEANUTS.—As a condi-  
9       tion on the approval by the Secretary of an indi-  
10      vidual or entity to provide storage for peanuts for  
11      which a marketing assistance loan is made under  
12      this section, the individual or entity shall agree—

13              (A) to provide the storage on a nondiscrim-  
14      inatory basis; and

15              (B) to comply with such additional require-  
16      ments as the Secretary considers appropriate to  
17      accomplish the purposes of this section and pro-  
18      mote fairness in the administration of the bene-  
19      fits of this section.

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

22              (A) IN GENERAL.—To ensure proper stor-  
23      age of peanuts for which a loan is made under  
24      this section, the Secretary shall pay handling  
25      and other associated costs (other than storage

1 costs) incurred at the time at which the peanuts  
2 are placed under loan, as determined by the  
3 Secretary.

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

6 (i) require the repayment of handling  
7 and other associated costs paid under sub-  
8 paragraph (A) for all peanuts pledged as  
9 collateral for a loan that is redeemed under  
10 this section; and

11 (ii) pay storage, handling, and other  
12 associated costs for all peanuts pledged as  
13 collateral that are forfeited under this sec-  
14 tion.

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

20 (6) REIMBURSABLE AGREEMENTS AND PAY-  
21 MENT OF ADMINISTRATIVE EXPENSES.—The Sec-  
22 retary may implement any reimbursable agreements  
23 or provide for the payment of administrative ex-  
24 penses under this subsection only in a manner that

1 is consistent with those activities in regard to other  
2 loan commodities.

3 **SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING**  
4 **ASSISTANCE LOANS.**

5 (a) IN GENERAL.—For purposes of each of the 2014  
6 through 2018 crop years, the loan rate for a marketing  
7 assistance loan under section 1201 for a loan commodity  
8 shall be equal to the following:

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

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

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

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

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

15 (6) In the case of base quality of upland cotton,  
16 for the 2014 and each subsequent crop year, the  
17 simple average of the adjusted prevailing world price  
18 for the 2 immediately preceding marketing years, as  
19 determined by the Secretary and announced October  
20 1 preceding the next domestic plantings, but in no  
21 case less than \$0.47 per pound or more than \$0.52  
22 per pound.

23 (7) In the case of extra long staple cotton,  
24 \$0.7977 per pound.

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

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

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

6           (11) In the case of other oilseeds, \$10.09 per  
7 hundredweight for each of the following kinds of oil-  
8 seeds:

9           (A) Sunflower seed.

10          (B) Rapeseed.

11          (C) Canola.

12          (D) Safflower.

13          (E) Flaxseed.

14          (F) Mustard seed.

15          (G) Crambe.

16          (H) Sesame seed.

17          (I) Other oilseeds designated by the Sec-  
18 retary.

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

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

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

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

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

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

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

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

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

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

14 **SEC. 1203. TERM OF LOANS.**

15          (a) TERM OF LOAN.—In the case of each loan com-  
16 modity, a marketing assistance loan under section 1201  
17 shall have a term of 9 months beginning on the first day  
18 of the first month after the month in which the loan is  
19 made.

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

23 **SEC. 1204. REPAYMENT OF LOANS.**

24          (a) GENERAL RULE.—The Secretary shall permit the  
25 producers on a farm to repay a marketing assistance loan

1 under section 1201 for a loan commodity (other than up-  
2 land cotton, long grain rice, medium grain rice, extra long  
3 staple cotton, peanuts and confectionery and each other  
4 kind of sunflower seed (other than oil sunflower seed)) at  
5 a rate that is the lesser of—

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

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

13 (A) is calculated based on average market  
14 prices for the loan commodity during the pre-  
15 ceding 30-day period; and

16 (B) will minimize discrepancies in mar-  
17 keting loan benefits across State boundaries  
18 and across county boundaries; or

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

23 (A) minimize potential loan forfeitures;

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

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

3 (D) allow the commodity produced in the  
4 United States to be marketed freely and com-  
5 petitively, both domestically and internationally;  
6 and

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

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

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

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

23 (c) REPAYMENT RATES FOR EXTRA LONG STAPLE  
24 COTTON.—Repayment of a marketing assistance loan for  
25 extra long staple cotton shall be at the loan rate estab-

1 lished for the commodity under section 1202, plus interest  
2 (determined in accordance with section 163 of the Federal  
3 Agriculture Improvement and Reform Act of 1996 (7  
4 U.S.C. 7283)).

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

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

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

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

17 (1) RICE.—The prevailing world market price  
18 for long grain rice and medium grain rice deter-  
19 mined under subsection (d) shall be adjusted to  
20 United States quality and location.

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

1 (A) shall be adjusted to United States  
2 quality and location, with the adjustment to in-  
3 clude—

4 (i) a reduction equal to any United  
5 States Premium Factor for upland cotton  
6 of a quality higher than Middling (M)  
7  $1\frac{3}{32}$ -inch; and

8 (ii) the average costs to market the  
9 commodity, including average transpor-  
10 tation costs, as determined by the Sec-  
11 retary; and

12 (B) may be further adjusted, during the  
13 period beginning on the date of enactment of  
14 this Act and ending on July 31, 2019, if the  
15 Secretary determines the adjustment is nec-  
16 essary—

17 (i) to minimize potential loan forfeit-  
18 ures;

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

22 (iii) to ensure that upland cotton pro-  
23 duced in the United States can be mar-  
24 keted freely and competitively, both domes-  
25 tically and internationally; and

1 (iv) to ensure an appropriate transi-  
2 tion between current-crop and forward-  
3 crop price quotations, except that the Sec-  
4 retary may use forward-crop price  
5 quotations prior to July 31 of a marketing  
6 year only if—

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

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

12 (3) GUIDELINES FOR ADDITIONAL ADJUST-  
13 MENTS.—In making adjustments under this sub-  
14 section, the Secretary shall establish a mechanism  
15 for determining and announcing the adjustments in  
16 order to avoid undue disruption in the United States  
17 market.

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

24 (1) the loan rate established for the commodity  
25 under section 1202, plus interest (determined in ac-

1 cordance with section 163 of the Federal Agriculture  
2 Improvement and Reform Act of 1996 (7 U.S.C.  
3 7283)); or

4 (2) the repayment rate established for oil sun-  
5 flower seed.

6 (g) PAYMENT OF COTTON STORAGE COSTS.—Effec-  
7 tive for each of the 2014 through 2018 crop years, the  
8 Secretary shall make cotton storage payments available in  
9 the same manner, and at the same rates as the Secretary  
10 provided storage payments for the 2006 crop of cotton,  
11 except that the rates shall be reduced by 10 percent.

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

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

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

22 (A) minimize potential loan forfeitures;

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

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

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

6 (i) **AUTHORITY TO TEMPORARILY ADJUST REPAY-**  
7 **MENT RATES.—**

8 (1) **ADJUSTMENT AUTHORITY.—**In the event of  
9 a severe disruption to marketing, transportation, or  
10 related infrastructure, the Secretary may modify the  
11 repayment rate otherwise applicable under this sec-  
12 tion for marketing assistance loans under section  
13 1201 for a loan commodity.

14 (2) **DURATION.—**Any adjustment made under  
15 paragraph (1) in the repayment rate for marketing  
16 assistance loans for a loan commodity shall be in ef-  
17 fect on a short-term and temporary basis, as deter-  
18 mined by the Secretary.

19 **SEC. 1205. LOAN DEFICIENCY PAYMENTS.**

20 (a) **AVAILABILITY OF LOAN DEFICIENCY PAY-**  
21 **MENTS.—**

22 (1) **IN GENERAL.—**Except as provided in sub-  
23 section (d), the Secretary may make loan deficiency  
24 payments available to producers on a farm that, al-  
25 though eligible to obtain a marketing assistance loan

1 under section 1201 with respect to a loan com-  
2 modity, agree to forgo obtaining the loan for the  
3 commodity in return for loan deficiency payments  
4 under this section.

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

6 (A) MARKETING ASSISTANCE LOANS.—

7 Subject to subparagraph (B), nongraded wool  
8 in the form of unshorn pelts and hay and silage  
9 derived from a loan commodity are not eligible  
10 for a marketing assistance loan under section  
11 1201.

12 (B) LOAN DEFICIENCY PAYMENT.—Effective  
13 for the 2014 through 2018 crop years, the  
14 Secretary may make loan deficiency payments  
15 available under this section to producers on a  
16 farm that produce unshorn pelts or hay and si-  
17ilage derived from a loan commodity.

18 (b) COMPUTATION.—A loan deficiency payment for a  
19 loan commodity or commodity referred to in subsection  
20 (a)(2) shall be equal to the product obtained by multi-  
21 plying—

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

24 (2) the quantity of the commodity produced by  
25 the eligible producers, excluding any quantity for

1       which the producers obtain a marketing assistance  
2       loan under section 1201.

3       (c) PAYMENT RATE.—

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

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

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

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

15          (A) the loan rate established under section  
16      1202 for ungraded wool; exceeds

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

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

23          (A) the loan rate established under section  
24      1202 for the loan commodity from which the  
25      hay or silage is derived; exceeds

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

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

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

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

16 (a) ELIGIBLE PRODUCERS.—

17 (1) IN GENERAL.—Effective for the 2014  
18 through 2018 crop years, in the case of a producer  
19 that would be eligible for a loan deficiency payment  
20 under section 1205 for wheat, barley, or oats, but  
21 that elects to use acreage planted to the wheat, bar-  
22 ley, or oats for the grazing of livestock, the Sec-  
23 retary shall make a payment to the producer under  
24 this section if the producer enters into an agreement

1 with the Secretary to forgo any other harvesting of  
2 the wheat, barley, or oats on that acreage.

3 (2) GRAZING OF TRITICALE ACREAGE.—Effective  
4 tive for the 2014 through 2018 crop years, with re-  
5 spect to a producer on a farm that uses acreage  
6 planted to triticale for the grazing of livestock, the  
7 Secretary shall make a payment to the producer  
8 under this section if the producer enters into an  
9 agreement with the Secretary to forgo any other  
10 harvesting of triticale on that acreage.

11 (b) PAYMENT AMOUNT.—

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

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

20 (B) the payment quantity determined by  
21 multiplying—

22 (i) the quantity of the grazed acreage  
23 on the farm with respect to which the pro-  
24 ducer elects to forgo harvesting of wheat,  
25 barley, or oats; and

1           (ii)(I) the payment yield in effect for  
2           the calculation of price loss coverage under  
3           subtitle A with respect to that loan com-  
4           modity on the farm; or

5           (II) in the case of a farm without a  
6           payment yield for that loan commodity, an  
7           appropriate yield established by the Sec-  
8           retary in a manner consistent with section  
9           1106(c) of this Act.

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

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

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

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

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

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

10           (c) TIME, MANNER, AND AVAILABILITY OF PAY-  
11   MENT.—

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

16                   (2) AVAILABILITY.—

17                   (A) IN GENERAL.—The Secretary shall es-  
18                   tablish an availability period for the payments  
19                   authorized by this section.

20                   (B) CERTAIN COMMODITIES.—In the case  
21                   of wheat, barley, and oats, the availability pe-  
22                   riod shall be consistent with the availability pe-  
23                   riod for the commodity established by the Sec-  
24                   retary for marketing assistance loans author-  
25                   ized by this subtitle.

1 (d) PROHIBITION ON CROP INSURANCE INDEMNITY  
2 OR NONINSURED CROP ASSISTANCE.—A 2014 through  
3 2018 crop of wheat, barley, oats, or triticale planted on  
4 acreage that a producer elects, in the agreement required  
5 by subsection (a), to use for the grazing of livestock in  
6 lieu of any other harvesting of the crop shall not be eligible  
7 for an indemnity under a policy or plan of insurance au-  
8 thorized under the Federal Crop Insurance Act (7 U.S.C.  
9 1501 et seq.) or noninsured crop assistance under section  
10 196 of the Federal Agriculture Improvement and Reform  
11 Act of 1996 (7 U.S.C. 7333).

12 **SEC. 1207. SPECIAL MARKETING LOAN PROVISIONS FOR**  
13 **UPLAND COTTON.**

14 (a) SPECIAL IMPORT QUOTA.—

15 (1) DEFINITION OF SPECIAL IMPORT QUOTA.—

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

19 (2) ESTABLISHMENT.—

20 (A) IN GENERAL.—The President shall  
21 carry out an import quota program during the  
22 period beginning on August 1, 2014, and end-  
23 ing on July 31, 2019, as provided in this sub-  
24 section.

1           (B) PROGRAM REQUIREMENTS.—Whenever  
2           the Secretary determines and announces that  
3           for any consecutive 4-week period, the Friday  
4           through Thursday average price quotation for  
5           the lowest-priced United States growth, as  
6           quoted for Middling (M) 1<sup>3</sup>/<sub>32</sub>-inch cotton, deliv-  
7           ered to a definable and significant international  
8           market, as determined by the Secretary, ex-  
9           ceeds the prevailing world market price, there  
10          shall immediately be in effect a special import  
11          quota.

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

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

24          (5) OVERLAP.—A special quota period may be  
25          established that overlaps any existing quota period if

1 required by paragraph (2), except that a special  
2 quota period may not be established under this sub-  
3 section if a quota period has been established under  
4 subsection (b).

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

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

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

12 (C) section 503(d) of the Trade Act of  
13 1974 (19 U.S.C. 2463(d)); and

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

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

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

1 (1) DEFINITIONS.—In this subsection:

2 (A) DEMAND.—The term “demand”  
3 means—

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

11 (ii) the larger of—

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

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

19 (B) LIMITED GLOBAL IMPORT QUOTA.—

20 The term “limited global import quota” means  
21 a quantity of imports that is not subject to the  
22 over-quota tariff rate of a tariff-rate quota.

23 (C) SUPPLY.—The term “supply” means,  
24 using the latest official data of the Department  
25 of Agriculture—

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

5 (ii) production of the current crop;  
6 and

7 (iii) imports to the latest date avail-  
8 able during the marketing year.

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

20 (A) QUANTITY.—The quantity of the quota  
21 shall be equal to 21 days of domestic mill con-  
22 sumption of upland cotton at the seasonally ad-  
23 justed average rate of the most recent 3 months  
24 for which official data of the Department of Ag-

1           riculture are available or, in the absence of suf-  
2           ficient data, as estimated by the Secretary.

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

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

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

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

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

23               (iv) General Note 3(a)(iv) to the Har-  
24               monized Tariff Schedule.

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

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

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

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

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

23           (3) ALLOWABLE PURPOSES.—Economic adjust-  
24           ment assistance under this subsection shall be made  
25           available only to domestic users of upland cotton

1 that certify that the assistance shall be used only to  
2 acquire, construct, install, modernize, develop, con-  
3 vert, or expand land, plant, buildings, equipment, fa-  
4 cilities, or machinery.

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

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

15 (A) liable for the repayment of the assist-  
16 ance to the Secretary, plus interest, as deter-  
17 mined by the Secretary; and

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

21 **SEC. 1208. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA**  
22 **LONG STAPLE COTTON.**

23 (a) COMPETITIVENESS PROGRAM.—Notwithstanding  
24 any other provision of law, during the period beginning

1 on the date of enactment of this Act through July 31,  
2 2019, the Secretary shall carry out a program—

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

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

8 (3) to ensure that extra long staple cotton pro-  
9 duced in the United States remains competitive in  
10 world markets.

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

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

22 (2) the lowest priced competing growth of extra  
23 long staple cotton (adjusted to United States quality  
24 and location and for other factors affecting the com-  
25 petitiveness of such cotton), as determined by the

1 Secretary, is less than 134 percent of the loan rate  
2 for extra long staple cotton.

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

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

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

19 (a) HIGH MOISTURE FEED GRAINS.—

20 (1) DEFINITION OF HIGH MOISTURE STATE.—

21 In this subsection, the term “high moisture state”  
22 means corn or grain sorghum having a moisture con-  
23 tent in excess of Commodity Credit Corporation  
24 standards for marketing assistance loans made by  
25 the Secretary under section 1201.

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

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

9                   (B) present—

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

16                           (ii) field or other physical measure-  
17                           ments of the standing or stored crop in re-  
18                           gions of the United States, as determined  
19                           by the Secretary, that do not have certified  
20                           commercial scales from which certified  
21                           scale tickets may be obtained within rea-  
22                           sonable proximity of harvest operation;

23                           (C) certify that the producers on the farm  
24                           were the owners of the feed grain at the time  
25                           of delivery to, and that the quantity to be

1 placed under loan under this subsection was in  
2 fact harvested on the farm and delivered to, a  
3 feedlot, feed mill, or commercial or on-farm  
4 high-moisture storage facility, or to a facility  
5 maintained by the users of corn and grain sor-  
6 ghum in a high moisture state; and

7 (D) comply with deadlines established by  
8 the Secretary for harvesting the corn or grain  
9 sorghum and submit applications for loans  
10 under this subsection within deadlines estab-  
11 lished by the Secretary.

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

17 (A) the acreage of the corn or grain sor-  
18 ghum in a high moisture state harvested on the  
19 farm of the producer; by

20 (B) the lower of the farm program pay-  
21 ment yield used to make payments under sub-  
22 title A or the actual yield on a field, as deter-  
23 mined by the Secretary, that is similar to the  
24 field from which the corn or grain sorghum was  
25 obtained.

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

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

12 **SEC. 1210. ADJUSTMENTS OF LOANS.**

13 (a) ADJUSTMENT AUTHORITY.—Subject to sub-  
14 section (e), the Secretary may make appropriate adjust-  
15 ments in the loan rates for any loan commodity (other  
16 than cotton) for differences in grade, type, quality, loca-  
17 tion, and other factors.

18 (b) MANNER OF ADJUSTMENT.—The adjustments  
19 under subsection (a) shall, to the maximum extent prac-  
20 ticable, be made in such a manner that the average loan  
21 level for the commodity will, on the basis of the anticipated  
22 incidence of the factors, be equal to the level of support  
23 determined in accordance with this subtitle and subtitle  
24 C.

25 (c) ADJUSTMENT ON COUNTY BASIS.—

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

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

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

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

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

16                   (A) the use of non-spot market price data,  
17                   in addition to spot market price data, that  
18                   would enhance the accuracy of the price infor-  
19                   mation used in determining quality adjustments  
20                   under this subsection;

21                   (B) adjustments in the premiums or dis-  
22                   counts associated with upland cotton with a sta-  
23                   ple length of 33 or above due to micronaire  
24                   with the goal of eliminating any unnecessary ar-

1           tificial splits in the calculations of the pre-  
2           miums or discounts; and

3           (C) such other adjustments as the Sec-  
4           retary determines appropriate, after consulta-  
5           tions conducted in accordance with paragraph  
6           (3).

7           (3) CONSULTATION WITH PRIVATE SECTOR.—

8           (A) PRIOR TO REVISION.—In making ad-  
9           justments to the loan rate for cotton (including  
10          any review of the adjustments) as provided in  
11          this subsection, the Secretary shall consult with  
12          representatives of the United States cotton in-  
13          dustry.

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

18          (4) REVIEW OF ADJUSTMENTS.—The Secretary  
19          may review the operation of the upland cotton qual-  
20          ity adjustments implemented pursuant to this sub-  
21          section and may make further adjustments to the  
22          administration of the loan program for upland cot-  
23          ton, by revoking or revising any adjustment taken  
24          under paragraph (2).

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

## 5 **Subtitle C—Sugar**

### 6 **SEC. 1301. SUGAR PROGRAM.**

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

9 (1) SUGARCANE.—Section 156(a)(5) of the  
10 Federal Agriculture Improvement and Reform Act of  
11 1996 (7 U.S.C. 7272(a)(5)) is amended by striking  
12 “the 2012 crop year” and inserting “each of the  
13 2012 through 2018 crop years”.

14 (2) SUGAR BEETS.—Section 156(b)(2) of the  
15 Federal Agriculture Improvement and Reform Act of  
16 1996 (7 U.S.C. 7272(b)(2)) is amended by striking  
17 “2012” and inserting “2018”.

18 (3) EFFECTIVE PERIOD.—Section 156(i) of the  
19 Federal Agriculture Improvement and Reform Act of  
20 1996 (7 U.S.C. 7272(i)) is amended by striking  
21 “2012” and inserting “2018”.

22 (b) FLEXIBLE MARKETING ALLOTMENTS FOR  
23 SUGAR.—

24 (1) SUGAR ESTIMATES.—Section 359b(a)(1) of  
25 the Agricultural Adjustment Act of 1938 (7 U.S.C.

1 1359bb(a)(1)) is amended by striking “2012” and  
2 inserting “2018”.

3 (2) EFFECTIVE PERIOD.—Section 359l(a) of  
4 the Agricultural Adjustment Act of 1938 (7 U.S.C.  
5 1359ll(a)) is amended by striking “2012” and in-  
6 serting “2018”.

## 7 **Subtitle D—Dairy**

### 8 **PART I—DAIRY PRODUCER MARGIN PROTECTION**

### 9 **AND DAIRY MARKET STABILIZATION PROGRAMS**

#### 10 **SEC. 1401. DEFINITIONS.**

11 In this part:

12 (1) ACTUAL DAIRY PRODUCER MARGIN.—The  
13 term “actual dairy producer margin” means the dif-  
14 ference between the all-milk price and the average  
15 feed cost, as calculated under section 1402.

16 (2) ALL-MILK PRICE.—The term “all-milk  
17 price” means the average price received, per hun-  
18 dredweight of milk, by dairy producers for all milk  
19 sold to plants and dealers in the United States, as  
20 determined by the Secretary.

21 (3) ANNUAL PRODUCTION HISTORY.—The term  
22 “annual production history” means the production  
23 history determined for a participating dairy producer  
24 under section 1413(b) whenever the dairy producer  
25 purchases supplemental margin protection.

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

6                   (A) The product determined by multiplying  
7                   1.0728 by the price of corn per bushel.

8                   (B) The product determined by multiplying  
9                   0.00735 by the price of soybean meal per ton.

10                   (C) The product determined by multiplying  
11                   0.0137 by the price of alfalfa hay per ton.

12           (5) BASIC PRODUCTION HISTORY.—The term  
13           “basic production history” means the production  
14           history determined for a participating dairy producer  
15           under section 1413(a) for provision of basic margin  
16           protection.

17           (6) CONSECUTIVE TWO-MONTH PERIOD.—The  
18           term “consecutive two-month period” refers to the  
19           two-month period consisting of the months of Janu-  
20           ary and February, March and April, May and June,  
21           July and August, September and October, or No-  
22           vember and December, respectively.

23           (7) DAIRY PRODUCER.—

24                   (A) IN GENERAL.—Subject to subpara-  
25                   graph (B), the term “dairy producer” means an

1 individual or entity that directly or indirectly  
2 (as determined by the Secretary)—

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

5 (ii) makes contributions (including  
6 land, labor, management, equipment, or  
7 capital) to the dairy operation of the indi-  
8 vidual or entity that are at least commen-  
9 surate with the share of the individual or  
10 entity of the proceeds of the operation.

11 (B) ADDITIONAL OWNERSHIP STRUC-  
12 TURES.—The Secretary shall determine addi-  
13 tional ownership structures to be covered by the  
14 definition of dairy producer.

15 (8) HANDLER.—

16 (A) IN GENERAL.—The term “handler”  
17 means the initial individual or entity making  
18 payment to a dairy producer for milk produced  
19 in the United States and marketed for commer-  
20 cial use.

21 (B) PRODUCER-HANDLER.—The term in-  
22 cludes a “producer-handler” when the producer  
23 satisfies the definition in subparagraph (A).

24 (9) MARGIN PROTECTION PROGRAM.—The term  
25 “margin protection program” means the dairy pro-

1 ducer margin protection program required by sub-  
2 part A.

3 (10) PARTICIPATING DAIRY PRODUCER.—The  
4 term “participating dairy producer” means a dairy  
5 producer that—

6 (A) signs up under section 1412 to partici-  
7 pate in the margin protection program under  
8 subpart A; and

9 (B) as a result, also participates in the sta-  
10 bilization program under subpart B.

11 (11) STABILIZATION PROGRAM.—The term  
12 “stabilization program” means the dairy market sta-  
13 bilization program required by subpart B for all par-  
14 ticipating dairy producers.

15 (12) STABILIZATION PROGRAM BASE.—The  
16 term “stabilization program base”, with respect to a  
17 participating dairy producer, means the stabilization  
18 program base calculated for the producer under sec-  
19 tion 1431(b).

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

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

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

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

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

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

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

21      (b) CALCULATION OF ACTUAL DAIRY PRODUCER  
22   MARGINS.—

23          (1) MARGIN PROTECTION PROGRAM.—For use  
24      in the margin protection program under subpart A,  
25      the Secretary shall calculate the actual dairy pro-

1       ducer margin for each consecutive two-month period  
2       by subtracting—

3               (A) the average feed cost for that consecu-  
4               tive two-month period, determined in accord-  
5               ance with subsection (a); from

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

8       (2) STABILIZATION PROGRAM.—For use in the  
9       stabilization program under subpart B, the Sec-  
10      retary shall calculate each month the actual dairy  
11      producer margin for the preceding month by sub-  
12      tracting—

13              (A) the average feed cost for that pre-  
14              ceding month, determined in accordance with  
15              subsection (a); from

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

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



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

7           (2) TREATMENT OF MULTI-PRODUCER OPER-  
8 ATIONS.—If a dairy operation consists of more than  
9 one dairy producer, all of the dairy producers of the  
10 operation shall be treated as a single dairy producer  
11 for purposes of—

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

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

18                   (C) participation in the stabilization pro-  
19 gram under subpart B.

20           (3) TREATMENT OF PRODUCERS WITH MUL-  
21 TIPLE DAIRY OPERATIONS.—If a dairy producer op-  
22 erates two or more dairy operations, each dairy op-  
23 eration of the producer shall require a separate reg-  
24 istration to receive basic margin protection and pur-  
25 chase supplemental margin protection. Only those

1 dairy operations so registered shall be subject to the  
2 stabilization program.

3 (c) TIME FOR SIGN UP.—

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

10 (A) to receive basic margin protection; and

11 (B) if the producer elects, to purchase sup-  
12 plemental margin protection.

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

21 (A) to receive basic margin protection; and

22 (B) if the producer elects, to purchase sup-  
23 plemental margin protection.

24 (d) RETROACTIVITY PROVISION.—

1           (1) NOTICE OF AVAILABILITY OF RETROACTIVE  
2 PROTECTION.—Not later than 30 days after the ef-  
3 fective date of this subtitle, the Secretary shall pub-  
4 lish a notice in the Federal Register to inform dairy  
5 producers of the availability of retroactive basic mar-  
6 gin protection and retroactive supplemental margin  
7 protection, subject to the condition that interested  
8 producers must file a notice of intent (in such form  
9 and manner as the Secretary specifies in the Federal  
10 Register notice)—

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

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

17           (2) RETROACTIVE BASIC MARGIN PROTEC-  
18 TION.—

19           (A) AVAILABILITY.—If a dairy producer  
20 files a notice of intent under paragraph (1) to  
21 participate in the margin protection program  
22 before the initiation of the sign-up period for  
23 the margin protection program and subse-  
24 quently signs up for the margin protection pro-  
25 gram, the producer shall receive basic margin

1 protection retroactive to the effective date of  
2 this subtitle.

3 (B) DURATION.—Retroactive basic margin  
4 protection under this paragraph for a dairy pro-  
5 ducer shall apply from the effective date of this  
6 subtitle until the date on which the producer  
7 signs up for the margin protection program.

8 (3) RETROACTIVE SUPPLEMENTAL MARGIN  
9 PROTECTION.—

10 (A) AVAILABILITY.—Subject to subpara-  
11 graphs (B) and (C), if a dairy producer files a  
12 notice of intent under paragraph (1) to partici-  
13 pate in the margin protection program and ob-  
14 tain supplemental margin protection and subse-  
15 quently signs up for the margin protection pro-  
16 gram, the producer shall receive supplemental  
17 margin protection, in addition to the basic mar-  
18 gin protection under paragraph (2), retroactive  
19 to the effective date of this subtitle.

20 (B) DEADLINE FOR SUBMISSION.—A no-  
21 tice of intent to obtain retroactive supplemental  
22 margin protection must be filed with the Sec-  
23 retary no later than the earlier of the following:

24 (i) 150 days after the date on which  
25 the Secretary publishes the notice in the

1 Federal Register required by paragraph  
2 (1).

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

6 (C) ELECTION OF COVERAGE LEVEL AND  
7 PERCENTAGE OF COVERAGE.—To be sufficient  
8 to obtain retroactive supplemental margin pro-  
9 tection, the notice of intent to participate filed  
10 by a dairy producer must specify—

11 (i) a selected coverage level that is  
12 higher, in any increment of \$0.50, than the  
13 payment threshold for basic margin protec-  
14 tion specified in section 1414(b), but not  
15 to exceed \$6.00; and

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

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

23 (i) October 1, 2013.

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

4                   (4) NOTICE OF INTENT AND OBLIGATION TO  
5                   PARTICIPATE IN MARGIN PROTECTION PROGRAM.—  
6                   In no way does filing a notice of intent under this  
7                   subsection obligate a dairy producer to sign up for  
8                   the margin protection program once the program  
9                   rules are final, but if a producer does file a notice  
10                  of intent and subsequently signs up for the margin  
11                  protection program, that dairy producer is obligated  
12                  to pay fees and premiums for any retroactive basic  
13                  margin protection or retroactive supplemental mar-  
14                  gin protection selected in the notice of intent.

15                  (e) ADMINISTRATIVE FEE.—

16                  (1) ADMINISTRATIVE FEE REQUIRED.—A dairy  
17                  producer shall pay an administrative fee under this  
18                  subsection to sign up to participate in the margin  
19                  protection program. The participating dairy pro-  
20                  ducer shall pay the administrative fee annually  
21                  thereafter to continue to participate in the margin  
22                  protection program.

23                  (2) FEE AMOUNT.—The administrative fee for  
24                  a participating dairy producer for a calendar year is  
25                  based on the pounds of milk (in millions) marketed

1 by the dairy producer in the previous calendar year,  
 2 as follows:

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

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

11 (4) USE OF FEES.—The Secretary shall use ad-  
 12 ministrative fees collected under this subsection—

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

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

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

4 (1) receiving basic margin protection;

5 (2) purchasing supplemental margin protection;

6 or

7 (3) avoiding participation in the stabilization  
8 program.

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

16 **SEC. 1413. PRODUCTION HISTORY OF PARTICIPATING**  
17 **DAIRY PRODUCERS.**

18 (a) PRODUCTION HISTORY FOR BASIC MARGIN PRO-  
19 TECTION.—

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

1           (2) CALCULATION.—Except as provided in  
2 paragraph (3), the basic production history of a par-  
3 ticipating dairy producer for basic margin protection  
4 is equal to the highest annual milk marketings of  
5 the dairy producer during any one of the three cal-  
6 endar years immediately preceding the calendar year  
7 in which the dairy producer first signed up to par-  
8 ticipate in the margin protection program.

9           (3) ELECTION BY NEW PRODUCERS.—If a par-  
10 ticipating dairy producer has been in operation for  
11 less than a year, the dairy producer shall elect one  
12 of the following methods for the Secretary to deter-  
13 mine the basic production history of the dairy pro-  
14 ducer:

15           (A) The volume of the actual milk mar-  
16 ketings for the months the dairy producer has  
17 been in operation extrapolated to a yearly  
18 amount.

19           (B) An estimate of the actual milk mar-  
20 ketings of the dairy producer based on the herd  
21 size of the producer relative to the national roll-  
22 ing herd average data published by the Sec-  
23 retary.

24           (4) NO CHANGE IN PRODUCTION HISTORY FOR  
25 BASIC MARGIN PROTECTION.—Once the basic pro-

1       duction history of a participating dairy producer is  
2       determined under paragraph (2) or (3), the basic  
3       production history shall not be subsequently changed  
4       for purposes of determining the amount of any basic  
5       margin protection payments for the dairy producer  
6       made under section 1414.

7       (b) ANNUAL PRODUCTION HISTORY FOR SUPPLE-  
8       MENTAL MARGIN PROTECTION.—

9               (1) DETERMINATION REQUIRED.—For purposes  
10       of providing supplemental margin protection for a  
11       participating dairy producer that purchases supple-  
12       mental margin protection for a year under section  
13       1415, the Secretary shall determine the annual pro-  
14       duction history of the dairy operation of the dairy  
15       producer under paragraph (2).

16              (2) CALCULATION.—The annual production his-  
17       tory of a participating dairy producer for a year is  
18       equal to the actual milk marketings of the dairy pro-  
19       ducer during the preceding calendar year.

20              (3) NEW PRODUCERS.—Subsection (a)(3) shall  
21       apply with respect to determining the annual pro-  
22       duction history of a participating dairy producer  
23       that has been in operation for less than a year.

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

4 (1) the basic production history of the dairy op-  
5 eration of the dairy producer under subsection (a);  
6 and

7 (2) the production history of the dairy oper-  
8 ation of the dairy producer whenever the producer  
9 purchases supplemental margin protection under  
10 section 1415.

11 (d) TRANSFER OF PRODUCTION HISTORIES.—

12 (1) TRANSFER BY SALE OR LEASE.—In promul-  
13 gating the rules to initiate the margin protection  
14 program, the Secretary shall specify the conditions  
15 under which and the manner by which the produc-  
16 tion history of a dairy operation may be transferred  
17 by sale or lease.

18 (2) COVERAGE LEVEL.—

19 (A) BASIC MARGIN PROTECTION.—A pur-  
20 chaser or lessee to whom the Secretary trans-  
21 fers a basic production history under this sub-  
22 section shall not obtain a different level of basic  
23 margin protection than the basic margin protec-  
24 tion coverage held by the seller or lessor from  
25 whom the transfer was obtained.

1 (B) SUPPLEMENTAL MARGIN PROTEC-  
2 TION.—A purchaser or lessee to whom the Sec-  
3 retary transfers an annual production history  
4 under this subsection shall not obtain a dif-  
5 ferent level of supplemental margin protection  
6 coverage than the supplemental margin protec-  
7 tion coverage in effect for the seller or lessor  
8 from whom the transfer was obtained for the  
9 calendar year in which the transfer was made.

10 (e) MOVEMENT AND TRANSFER OF PRODUCTION  
11 HISTORY.—

12 (1) MOVEMENT AND TRANSFER AUTHOR-  
13 IZED.—Subject to paragraph (2), if a dairy producer  
14 moves from one location to another location, the  
15 dairy producer may maintain the basic production  
16 history and annual production history associated  
17 with the operation.

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

21 (3) SUBSEQUENT OCCUPATION OF VACATED LO-  
22 CATION.—A party subsequently occupying a dairy  
23 operation location vacated as described in paragraph  
24 (1) shall have no interest in the basic production

1 history or annual production history previously asso-  
2 ciated with the operation at such location.

3 **SEC. 1414. BASIC MARGIN PROTECTION.**

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

7 (b) **PAYMENT THRESHOLD.**—Participating dairy pro-  
8 ducers shall receive a basic margin protection payment  
9 whenever the average actual dairy producer margin for a  
10 consecutive two-month period is less than \$4.00 per hun-  
11 dredweight of milk.

12 (c) **BASIC MARGIN PROTECTION PAYMENT.**—

13 (1) **PAYMENT REQUIRED.**—The Secretary shall  
14 make a basic margin protection payment to each  
15 participating dairy producer whenever such a pay-  
16 ment is required by subsection (b).

17 (2) **AMOUNT OF PAYMENT.**—The basic margin  
18 protection payment for the dairy operation of a par-  
19 ticipating dairy producer for a consecutive two-  
20 month period shall be determined as follows:

21 (A) The Secretary shall calculate the dif-  
22 ference between the average actual dairy pro-  
23 ducer margin for the consecutive two-month pe-  
24 riod and \$4.00, except that, if the difference is  
25 more than \$4.00, the Secretary shall use \$4.00.

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

4                   (i) 80 percent of the production his-  
5                   tory of the dairy producer, divided by six.

6                   (ii) The actual amount of milk mar-  
7                   keted by the dairy operation of the dairy  
8                   producer during the consecutive two-month  
9                   period.

10 **SEC. 1415. SUPPLEMENTAL MARGIN PROTECTION.**

11           (a) ELECTION OF SUPPLEMENTAL MARGIN PROTEC-  
12           TION.—Supplemental margin protection is available only  
13           on an annual basis. A participating dairy producer may  
14           annually purchase supplemental margin protection to pro-  
15           tect, during the calendar year for which purchased, a high-  
16           er level of the income of a participating dairy producer  
17           than the income level guaranteed by basic margin protec-  
18           tion under section 1414.

19           (b) SELECTION OF PAYMENT THRESHOLD.—A par-  
20           ticipating dairy producer purchasing supplemental margin  
21           protection for a year shall elect a coverage level that is  
22           higher, in any increment of \$0.50, than the payment  
23           threshold for basic margin protection specified in section  
24           1414(b), but not to exceed \$8.00.

1           (c) SELECTION OF COVERAGE PERCENTAGE.—A par-  
2     ticipating dairy producer purchasing supplemental margin  
3     protection for a year shall elect a percentage of coverage  
4     equal to not more than 90 percent, nor less than 25 per-  
5     cent, of the annual production history of the dairy oper-  
6     ation of the participating dairy producer.

7           (d) PRODUCER PREMIUMS FOR SUPPLEMENTAL  
8     MARGIN PROTECTION.—

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

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

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

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

20           (2) PREMIUM PER HUNDREDWEIGHT FOR FIRST  
21     4 MILLION POUNDS OF PRODUCTION.—For the first  
22     4,000,000 pounds of milk marketings included in  
23     the annual production history of a participating  
24     dairy producer, the premium per hundredweight cor-

1        responding to each coverage level specified in the fol-  
 2        lowing table is as follows:

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

3                    (3) PREMIUM PER HUNDREDWEIGHT FOR PRO-  
 4        DUCTON IN EXCESS OF 4 MILLION POUNDS.—For  
 5        milk marketings in excess of 4,000,000 pounds in-  
 6        cluded in the annual production history of a partici-  
 7        pating dairy producer, the premium per hundred-  
 8        weight corresponding to each coverage level is as fol-  
 9        lows:

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

10                    (4) TIME FOR PAYMENT.—In promulgating the  
 11        rules to initiate the margin protection program, the  
 12        Secretary shall provide more than one method by  
 13        which a participating dairy producer that purchases  
 14        supplemental margin protection for a calendar year

1       may pay the premium under this subsection for that  
2       year that maximizes producer payment flexibility  
3       and program integrity.

4       (e) PRODUCER'S PREMIUM OBLIGATIONS.—

5           (1) PRO-RATION OF PREMIUM FOR NEW PRO-  
6       DUCERS.—A dairy producer described in section  
7       1412(e)(2) that purchases supplemental margin pro-  
8       tection for a calendar year after the start of the cal-  
9       endar year shall pay a pro-rated premium for that  
10      calendar year based on the portion of the calendar  
11      year for which the producer purchases the coverage.

12          (2) LEGAL OBLIGATION.—A participating dairy  
13      producer that purchases supplemental margin pro-  
14      tection for a calendar year shall be legally obligated  
15      to pay the applicable premium for that calendar  
16      year, except that, if the dairy producer retires, the  
17      producer may request that Secretary cancel the sup-  
18      plemental margin protection if the producer has ter-  
19      minated the dairy operation entirely and certifies  
20      under oath that the producer will not be actively en-  
21      gaged in any dairy operation for at least the next  
22      seven years.

23          (f) SUPPLEMENTAL PAYMENT THRESHOLD.—A par-  
24      ticipating dairy producer with supplemental margin pro-  
25      tection shall receive a supplemental margin protection

1 payment whenever the average actual dairy producer mar-  
2 gin for a consecutive two-month period is less than the  
3 coverage level threshold selected by the dairy producer  
4 under subsection (b).

5 (g) SUPPLEMENTAL MARGIN PROTECTION PAY-  
6 MENTS.—

7 (1) IN GENERAL.—The supplemental margin  
8 protection payment for a participating dairy pro-  
9 ducer is in addition to the basic margin protection  
10 payment.

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

15 (A) The Secretary shall calculate the dif-  
16 ference between the coverage level threshold se-  
17 lected by the dairy producer under subsection  
18 (b) and the greater of—

19 (i) the average actual dairy producer  
20 margin for the consecutive two-month pe-  
21 riod; or

22 (ii) \$4.00.

23 (B) The amount determined under sub-  
24 paragraph (A) shall be multiplied by the per-  
25 centage selected by the participating dairy pro-

1           ducer under subsection (c) and by the lesser of  
2           the following:

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

6                   (ii) The actual amount of milk mar-  
7                   keted by the dairy operation of the dairy  
8                   producer during the consecutive two-month  
9                   period.

10 **SEC. 1416. EFFECT OF FAILURE TO PAY ADMINISTRATIVE**  
11 **FEEES OR PREMIUMS.**

12           (a) **LOSS OF BENEFITS.**—A participating dairy pro-  
13 ducer that fails to pay the required administrative fee  
14 under section 1412 or is in arrears on premium payments  
15 for supplemental margin protection under section 1415—

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

18                   (2) may not receive basic margin protection  
19 payments or supplemental margin protection pay-  
20 ments until the fees or premiums are fully paid.

21           (b) **ENFORCEMENT.**—The Secretary may take such  
22 action as necessary to collect administrative fees and pre-  
23 mium payments for supplemental margin protection.



1 methods for calculation of the stabilization program  
2 base for the producer:

3 (A) The volume of the average monthly  
4 milk marketings of the dairy producer for the  
5 three months immediately preceding the an-  
6 nouncement by the Secretary that the stabiliza-  
7 tion program will become effective.

8 (B) The volume of the monthly milk mar-  
9 ketings of the dairy producer for the same  
10 month in the preceding year as the month for  
11 which the Secretary has announced the sta-  
12 bilization program will become effective.

13 **SEC. 1432. THRESHOLD FOR IMPLEMENTATION AND RE-**  
14 **DUCTION IN DAIRY PRODUCER PAYMENTS.**

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

21 (1) the actual dairy producer margin has been  
22 \$6.00 or less per hundredweight of milk for each of  
23 the immediately preceding two months; or

1           (2) the actual dairy producer margin has been  
2       \$4.00 or less per hundredweight of milk for the im-  
3       mediately preceding month.

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

12      (c) EFFECTIVE DATE FOR IMPLEMENTATION OF  
13      PAYMENT REDUCTIONS.—Reductions in dairy producer  
14      payments shall commence beginning on the first day of  
15      the month immediately following the date of the announce-  
16      ment by the Secretary under subsection (a).

17      **SEC. 1433. PRODUCER MILK MARKETING INFORMATION.**

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

23      (b) REDUCE REGULATORY BURDEN.—When imple-  
24      menting the process under subsection (a), the Secretary

1 shall minimize the regulatory burden on dairy producers  
2 and handlers.

3 **SEC. 1434. CALCULATION AND COLLECTION OF REDUCED**  
4 **DAIRY PRODUCER PAYMENTS.**

5 (a) REDUCED PRODUCER PAYMENTS REQUIRED.—  
6 During any month in which payment reductions are in ef-  
7 fect under the stabilization program, each handler shall  
8 reduce payments to each participating dairy producer  
9 from whom the handler receives milk.

10 (b) REDUCTIONS BASED ON ACTUAL DAIRY PRO-  
11 DUCER MARGIN.—

12 (1) REDUCTION REQUIREMENT 1.—Unless the  
13 reduction required by paragraph (2) or (3) applies,  
14 when the actual dairy producer margin has been  
15 \$6.00 or less per hundredweight of milk for two con-  
16 secutive months, the handler shall make payments to  
17 a participating dairy producer for a month based on  
18 the greater of the following:

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

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

23 (2) REDUCTION REQUIREMENT 2.—Unless the  
24 reduction required by paragraph (3) applies, when  
25 the actual dairy producer margin has been \$5.00 or

1 less per hundredweight of milk for two consecutive  
2 months, the handler shall make payments to a par-  
3 ticipating dairy producer for a month based on the  
4 greater of the following:

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

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

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

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

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

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

24 (d) PAYMENT REDUCTION EXCEPTION.—Notwith-  
25 standing any preceding subsection of this section, a han-

1 dler shall make no payment reductions for a dairy pro-  
2 ducer for a month if the producer's milk marketings for  
3 the month are equal to or less than the percentage of the  
4 stabilization program base applicable to the producer  
5 under paragraph (1), (2), or (3) of subsection (b).

6 **SEC. 1435. REMITTING MONIES TO THE SECRETARY AND**  
7 **USE OF MONIES.**

8 (a) REMITTING MONIES.—As soon as practicable  
9 after the end of each month during which payment reduc-  
10 tions are in effect under the stabilization program, each  
11 handler shall remit to the Secretary an amount equal to  
12 the amount by which payments to participating dairy pro-  
13 ducers are reduced by the handler under section 1434.

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

18 (c) USE OF MONIES.—

19 (1) AVAILABILITY FOR CERTAIN COMMODITY  
20 DONATIONS.—Within three months of the receipt of  
21 monies under subsection (a), the Secretary shall ob-  
22 ligate the monies for the purpose of—

23 (A) purchasing dairy products for donation  
24 to food banks and other programs that the Sec-  
25 retary determines appropriate; and

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

3 (2) NO DUPLICATION OF EFFORT.—The Sec-  
4 retary shall ensure that expenditures under para-  
5 graph (1) are compatible with, and do not duplicate,  
6 programs supported by the dairy research and pro-  
7 motion activities conducted under the Dairy Produc-  
8 tion Stabilization Act of 1983 (7 U.S.C. 4501 et  
9 seq.).

10 (3) ACCOUNTING.—The Secretary shall keep an  
11 accurate account of all monies obligated under para-  
12 graph (1).

13 (d) ANNUAL REPORT.—Not later than December 31  
14 of each year that the stabilization program is in effect,  
15 the Secretary shall submit to the Committee on Agri-  
16 culture of the House of Representatives and the Com-  
17 mittee on Agriculture, Nutrition, and Forestry of the Sen-  
18 ate a report that provides an accurate accounting of—

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

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

24 (e) ENFORCEMENT.—If a participating dairy pro-  
25 ducer or handler fails to remit or collect the amounts by

1 which payments to participating dairy producers are re-  
2 duced under section 1434, the producer or handler respon-  
3 sible for the failure shall be liable to the Secretary for the  
4 amount that should have been remitted or collected, plus  
5 interest. In addition to the enforcement authorities avail-  
6 able under section 1437, the Secretary may enforce this  
7 subsection in the courts of the United States.

8 **SEC. 1436. SUSPENSION OF REDUCED PAYMENT REQUIRE-**  
9 **MENT.**

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

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

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

17 (b) INITIAL SUSPENSION THRESHOLDS.—The Sec-  
18 retary shall announce that the stabilization program shall  
19 be suspended whenever the Secretary determines that—

20 (1) the actual dairy producer margin is greater  
21 than \$6.00 per hundredweight of milk for two con-  
22 secutive months;

23 (2) the dairy producer margin is equal to or  
24 less than \$6.00 (but greater than \$5.00) for two

1 consecutive months, and during the same two con-  
2 secutive months—

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

6 (B) the price in the United States for non-  
7 fat dry milk is equal to or greater than the  
8 world price of skim milk powder;

9 (3) the dairy producer margin is equal to or  
10 less than \$5.00 (but greater than \$4.00) for two  
11 consecutive months, and during the same two con-  
12 secutive months—

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

16 (B) the price in the United States for non-  
17 fat dry milk is more than 5 percent above the  
18 world price of skim milk powder; or

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

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

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

4 (c) ENHANCED SUSPENSION THRESHOLDS.—If the  
5 stabilization program is not suspended pursuant to sub-  
6 section (b) for six consecutive months or more, the sta-  
7 bilization program shall be suspended whenever the Sec-  
8 retary determines that—

9 (1) the actual dairy producer margin is greater  
10 than \$6.00 per hundredweight of milk for two con-  
11 secutive months;

12 (2) the dairy producer margin is equal to or  
13 less than \$6.00 (but greater than \$5.00) for two  
14 consecutive months, and during the same two con-  
15 secutive months—

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

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

22 (3) the dairy producer margin is equal to or  
23 less than \$5.00 (but greater than \$4.00) for two  
24 consecutive months, and during the same two con-  
25 secutive months—

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

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

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

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

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

16 (d) IMPLEMENTATION BY HANDLERS.—Effective on  
17 the day after the date of the announcement by the Sec-  
18 retary under subsection (b) or (c) of the suspension of the  
19 stabilization program, the handler shall cease reducing  
20 payments to participating dairy producers under the sta-  
21 bilization program.

22 (e) CONDITION ON RESUMPTION OF STABILIZATION  
23 PROGRAM.—Upon the announcement by the Secretary  
24 under subsection (b) or (c) that the stabilization program

1 has been suspended, the stabilization program may not be  
2 implemented again until, at the earliest—

3 (1) two months have passed, beginning on the  
4 first day of the month immediately following the an-  
5 nouncement by the Secretary; and

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

8 **SEC. 1437. ENFORCEMENT.**

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

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

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

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

11 **SEC. 1438. AUDIT REQUIREMENTS.**

12 (a) AUDITS OF PRODUCER AND HANDLER COMPLI-  
13 ANCE.—

14 (1) AUDITS AUTHORIZED.—If determined by  
15 the Secretary to be necessary to ensure compliance  
16 by participating dairy producers and handlers with  
17 the stabilization program, the Secretary may con-  
18 duct periodic audits of participating dairy producers  
19 and handlers.

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

24 (b) SUBMISSION OF RESULTS.—The Secretary shall  
25 submit the results of any audit conducted under sub-

1 section (a) to the Committee on Agriculture of the House  
2 of Representatives and the Committee on Agriculture, Nu-  
3 trition, and Forestry of the Senate and include such rec-  
4 ommendations as the Secretary considers appropriate re-  
5 garding the stabilization program.

6 **Subpart C—Commodity Credit Corporation**

7 **SEC. 1451. USE OF COMMODITY CREDIT CORPORATION.**

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

11 **Subpart D—Initiation and Duration**

12 **SEC. 1461. RULEMAKING.**

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

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

19 (2) the Statement of Policy of the Secretary of  
20 Agriculture effective July 24, 1971 (36 Fed. Reg.  
21 13804), relating to notices of proposed rulemaking  
22 and public participation in rulemaking; and

23 (3) the notice and comment provisions of sec-  
24 tion 553 of title 5, United States Code.

1 (b) CONGRESSIONAL REVIEW OF AGENCY RULE-  
2 MAKING.—In carrying out subsection (a), the Secretary  
3 shall use the authority provided under section 808 of title  
4 5, United States Code.

5 (c) INCLUSION OF ADDITIONAL ORDER.—Section  
6 143(a)(2) of the Federal Agriculture Improvement and  
7 Reform Act of 1996 (7 U.S.C. 7253(a)(2)) is amended  
8 by adding at the end the following new sentence: “Sub-  
9 section (b)(2) does not apply to the authority of the Sec-  
10 retary under this subsection.”.

11 **SEC. 1462. DURATION.**

12 The margin protection program and the stabilization  
13 program shall end on December 31, 2018.

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

16 **SEC. 1481. REPEAL OF DAIRY PRODUCT PRICE SUPPORT**  
17 **AND MILK INCOME LOSS CONTRACT PRO-**  
18 **GRAMS.**

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

22 (b) REPEAL OF MILK INCOME LOSS CONTRACT PRO-  
23 GRAM.—Section 1506 of the Food, Conservation, and En-  
24 ergy Act of 2008 (7 U.S.C. 8773) is repealed.

1 **SEC. 1482. REPEAL OF DAIRY EXPORT INCENTIVE PRO-**  
2 **GRAM.**

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

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

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

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

11 **SEC. 1483. EXTENSION OF DAIRY FORWARD PRICING PRO-**  
12 **GRAM.**

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

15 (1) in paragraph (1), by striking “2012” and  
16 inserting “2018”; and

17 (2) in paragraph (2), by striking “2015” and  
18 inserting “2021”.

19 **SEC. 1484. EXTENSION OF DAIRY INDEMNITY PROGRAM.**

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

22 **SEC. 1485. EXTENSION OF DAIRY PROMOTION AND RE-**  
23 **SEARCH PROGRAM.**

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

1 **SEC. 1486. REPEAL OF FEDERAL MILK MARKETING ORDER**  
2 **REVIEW COMMISSION.**

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

6 **PART III—EFFECTIVE DATE**

7 **SEC. 1491. EFFECTIVE DATE.**

8 This subtitle and the amendments made by this sub-  
9 title shall take effect on October 1, 2013.

10 **Subtitle E—Supplemental Agricultural**  
11 **Disaster Assistance Pro-**  
12 **grams**

13 **SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER AS-**  
14 **SISTANCE.**

15 (a) DEFINITIONS.—In this section:

16 (1) ELIGIBLE PRODUCER ON A FARM.—

17 (A) IN GENERAL.—The term “eligible pro-  
18 ducer on a farm” means an individual or entity  
19 described in subparagraph (B) that, as deter-  
20 mined by the Secretary, assumes the production  
21 and market risks associated with the agricul-  
22 tural production of crops or livestock.

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

25 (i) a citizen of the United States;

26 (ii) a resident alien;

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

3 (iv) a corporation, limited liability cor-  
4 poration, or other farm organizational  
5 structure organized under State law.

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

9 (3) LIVESTOCK.—The term “livestock” in-  
10 cludes—

11 (A) cattle (including dairy cattle);

12 (B) bison;

13 (C) poultry;

14 (D) sheep;

15 (E) swine;

16 (F) horses; and

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

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

21 (b) LIVESTOCK INDEMNITY PAYMENTS.—

22 (1) PAYMENTS.—For each of the fiscal years  
23 2012 through 2018, the Secretary shall use such  
24 sums as are necessary of the funds of the Com-  
25 modity Credit Corporation to make livestock indem-

1 nity payments to eligible producers on farms that  
2 have incurred livestock death losses in excess of the  
3 normal mortality, as determined by the Secretary,  
4 due to—

5 (A) attacks by animals reintroduced into  
6 the wild by the Federal Government or pro-  
7 tected by Federal law, including wolves and  
8 avian predators; or

9 (B) adverse weather, as determined by the  
10 Secretary, during the calendar year, including  
11 losses due to hurricanes, floods, blizzards, dis-  
12 ease, wildfires, extreme heat, and extreme cold.

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

19 (3) SPECIAL RULE FOR PAYMENTS MADE DUE  
20 TO DISEASE.—The Secretary shall ensure that pay-  
21 ments made to an eligible producer under paragraph  
22 (1) are not made for the same livestock losses for  
23 which compensation is provided pursuant to section  
24 10407(d) of the Animal Health Protection Act (7  
25 U.S.C. 8306(d)).

1 (c) LIVESTOCK FORAGE DISASTER PROGRAM.—

2 (1) DEFINITIONS.—In this subsection:

3 (A) COVERED LIVESTOCK.—

4 (i) IN GENERAL.—Except as provided  
5 in clause (ii), the term “covered livestock”  
6 means livestock of an eligible livestock pro-  
7 ducer that, during the 60 days prior to the  
8 beginning date of a qualifying drought or  
9 fire condition, as determined by the Sec-  
10 retary, the eligible livestock producer—

11 (I) owned;

12 (II) leased;

13 (III) purchased;

14 (IV) entered into a contract to  
15 purchase;

16 (V) is a contract grower; or

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

20 (aa) the current production  
21 year; or

22 (bb) subject to paragraph  
23 (3)(B)(ii), 1 or both of the 2 pro-  
24 duction years immediately pre-

1 ceding the current production  
2 year.

3 (ii) EXCLUSION.—The term “covered  
4 livestock” does not include livestock that  
5 were or would have been in a feedlot, on  
6 the beginning date of the qualifying  
7 drought or fire condition, as a part of the  
8 normal business operation of the eligible  
9 livestock producer, as determined by the  
10 Secretary.

11 (B) DROUGHT MONITOR.—The term  
12 “drought monitor” means a system for  
13 classifying drought severity according to a  
14 range of abnormally dry to exceptional drought,  
15 as defined by the Secretary.

16 (C) ELIGIBLE LIVESTOCK PRODUCER.—

17 (i) IN GENERAL.—The term “eligible  
18 livestock producer” means an eligible pro-  
19 ducer on a farm that—

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

1 (II) provides the pastureland or  
2 grazing land for covered livestock, in-  
3 cluding cash-leased pastureland or  
4 grazing land that is physically located  
5 in a county affected by drought;

6 (III) certifies grazing loss; and

7 (IV) meets all other eligibility re-  
8 quirements established under this sub-  
9 section.

10 (ii) EXCLUSION.—The term “eligible  
11 livestock producer” does not include an  
12 owner, cash or share lessee, or contract  
13 grower of livestock that rents or leases  
14 pastureland or grazing land owned by an-  
15 other person on a rate-of-gain basis.

16 (D) NORMAL CARRYING CAPACITY.—The  
17 term “normal carrying capacity”, with respect  
18 to each type of grazing land or pastureland in  
19 a county, means the normal carrying capacity,  
20 as determined under paragraph (3)(D)(i), that  
21 would be expected from the grazing land or  
22 pastureland for livestock during the normal  
23 grazing period, in the absence of a drought or  
24 fire that diminishes the production of the graz-  
25 ing land or pastureland.

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

6 (2) PROGRAM.—For each of the fiscal years  
7 2012 through 2018, the Secretary shall use such  
8 sums as are necessary of the funds of the Com-  
9 modity Credit Corporation to provide compensation  
10 for losses to eligible livestock producers due to graz-  
11 ing losses for covered livestock due to—

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

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

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

17 (A) ELIGIBLE LOSSES.—

18 (i) IN GENERAL.—An eligible livestock  
19 producer may receive assistance under this  
20 subsection only for grazing losses for cov-  
21 ered livestock that occur on land that—

22 (I) is native or improved  
23 pastureland with permanent vegeta-  
24 tive cover; or

1 (II) is planted to a crop planted  
2 specifically for the purpose of pro-  
3 viding grazing for covered livestock.

4 (ii) EXCLUSIONS.—An eligible live-  
5 stock producer may not receive assistance  
6 under this subsection for grazing losses  
7 that occur on land used for haying or graz-  
8 ing under the conservation reserve pro-  
9 gram established under subchapter B of  
10 chapter 1 of subtitle D of title XII of the  
11 Food Security Act of 1985 (16 U.S.C.  
12 3831 et seq.).

13 (B) MONTHLY PAYMENT RATE.—

14 (i) IN GENERAL.—Except as provided  
15 in clause (ii), the payment rate for assist-  
16 ance under this paragraph for 1 month  
17 shall, in the case of drought, be equal to  
18 60 percent of the lesser of—

19 (I) the monthly feed cost for all  
20 covered livestock owned or leased by  
21 the eligible livestock producer, as de-  
22 termined under subparagraph (C); or

23 (II) the monthly feed cost cal-  
24 culated by using the normal carrying

1 capacity of the eligible grazing land of  
2 the eligible livestock producer.

3 (ii) PARTIAL COMPENSATION.—In the  
4 case of an eligible livestock producer that  
5 sold or otherwise disposed of covered live-  
6 stock due to drought conditions in 1 or  
7 both of the 2 production years immediately  
8 preceding the current production year, as  
9 determined by the Secretary, the payment  
10 rate shall be 80 percent of the payment  
11 rate otherwise calculated in accordance  
12 with clause (i).

13 (C) MONTHLY FEED COST.—

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

17 (I) 30 days;

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

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

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

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

6 (II) in the case of any other type  
7 of weight of livestock, an amount de-  
8 termined by the Secretary that rep-  
9 represents the average number of pounds  
10 of corn per day necessary to feed the  
11 livestock.

12 (iii) CORN PRICE PER POUND.—For  
13 purposes of clause (i)(III), the corn price  
14 per pound shall equal the quotient ob-  
15 tained by dividing—

16 (I) the higher of—

17 (aa) the national average  
18 corn price per bushel for the 12-  
19 month period immediately pre-  
20 ceeding March 1 of the year for  
21 which the disaster assistance is  
22 calculated; or

23 (bb) the national average  
24 corn price per bushel for the 24-

1 month period immediately pre-  
2 ceding that March 1; by

3 (II) 56.

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

6 (i) FSA COUNTY COMMITTEE DETER-  
7 MINATIONS.—

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

14 (II) CHANGES.—No change to  
15 the normal carrying capacity or nor-  
16 mal grazing period established for a  
17 county under subclause (I) shall be  
18 made unless the change is requested  
19 by the appropriate State and county  
20 Farm Service Agency committees.

21 (ii) DROUGHT INTENSITY.—

22 (I) D2.—An eligible livestock  
23 producer that owns or leases grazing  
24 land or pastureland that is physically  
25 located in a county that is rated by

1 the U.S. Drought Monitor as having a  
2 D2 (severe drought) intensity in any  
3 area of the county for at least 8 con-  
4 secutive weeks during the normal  
5 grazing period for the county, as de-  
6 termined by the Secretary, shall be el-  
7 igible to receive assistance under this  
8 paragraph in an amount equal to 1  
9 monthly payment using the monthly  
10 payment rate determined under sub-  
11 paragraph (B).

12 (II) D3.—An eligible livestock  
13 producer that owns or leases grazing  
14 land or pastureland that is physically  
15 located in a county that is rated by  
16 the U.S. Drought Monitor as having  
17 at least a D3 (extreme drought) in-  
18 tensity in any area of the county at  
19 any time during the normal grazing  
20 period for the county, as determined  
21 by the Secretary, shall be eligible to  
22 receive assistance under this para-  
23 graph—

24 (aa) in an amount equal to  
25 3 monthly payments using the

1 monthly payment rate deter-  
2 mined under subparagraph (B);  
3 (bb) if the county is rated as  
4 having a D3 (extreme drought)  
5 intensity in any area of the coun-  
6 ty for at least 4 weeks during the  
7 normal grazing period for the  
8 county, or is rated as having a  
9 D4 (exceptional drought) inten-  
10 sity in any area of the county at  
11 any time during the normal graz-  
12 ing period, in an amount equal to  
13 4 monthly payments using the  
14 monthly payment rate deter-  
15 mined under subparagraph (B);  
16 or  
17 (cc) if the county is rated as  
18 having a D4 (exceptional  
19 drought) intensity in any area of  
20 the county for at least 4 weeks  
21 during the normal grazing pe-  
22 riod, in an amount equal to 5  
23 monthly payments using the  
24 monthly rate determined under  
25 subparagraph (B).

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

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

6           (i) the grazing losses occur on range-  
7 land that is managed by a Federal agency;  
8 and

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

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

19          (C) PAYMENT DURATION.—

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

24           (I) beginning on the date on  
25 which the Federal agency excludes the

1 eligible livestock producer from using  
2 the managed rangeland for grazing;  
3 and

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

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

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

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

19 (1) IN GENERAL.—For each of the fiscal years  
20 2012 through 2018, the Secretary shall use not  
21 more than \$20,000,000 of the funds of the Com-  
22 modity Credit Corporation to provide emergency re-  
23 lief to eligible producers of livestock, honey bees, and  
24 farm-raised fish to aid in the reduction of losses due  
25 to disease (including cattle tick fever), adverse

1 weather, or other conditions, such as blizzards and  
2 wildfires, as determined by the Secretary, that are  
3 not covered under subsection (b) or (c).

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

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

11 (e) TREE ASSISTANCE PROGRAM.—

12 (1) DEFINITIONS.—In this subsection:

13 (A) ELIGIBLE ORCHARDIST.—The term  
14 “eligible orchardist” means a person that pro-  
15 duces annual crops from trees for commercial  
16 purposes.

17 (B) NATURAL DISASTER.—The term “nat-  
18 ural disaster” means plant disease, insect infes-  
19 tation, drought, fire, freeze, flood, earthquake,  
20 lightning, or other occurrence, as determined by  
21 the Secretary.

22 (C) NURSERY TREE GROWER.—The term  
23 “nursery tree grower” means a person who pro-  
24 duces nursery, ornamental, fruit, nut, or Christ-

1           mas trees for commercial sale, as determined by  
2           the Secretary.

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

5           (2) ELIGIBILITY.—

6           (A) LOSS.—Subject to subparagraph (B),  
7           for each of the fiscal years 2012 through 2018,  
8           the Secretary shall use such sums as are nec-  
9           essary of the funds of the Commodity Credit  
10          Corporation to provide assistance—

11           (i) under paragraph (3) to eligible or-  
12          chardists and nursery tree growers that  
13          planted trees for commercial purposes but  
14          lost the trees as a result of a natural dis-  
15          aster, as determined by the Secretary; and

16           (ii) under paragraph (3)(B) to eligible  
17          orchardists and nursery tree growers that  
18          have a production history for commercial  
19          purposes on planted or existing trees but  
20          lost the trees as a result of a natural dis-  
21          aster, as determined by the Secretary.

22          (B) LIMITATION.—An eligible orchardist  
23          or nursery tree grower shall qualify for assist-  
24          ance under subparagraph (A) only if the tree  
25          mortality of the eligible orchardist or nursery

1 tree grower, as a result of damaging weather or  
2 related condition, exceeds 15 percent (adjusted  
3 for normal mortality).

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

8 (A)(i) reimbursement of 65 percent of the  
9 cost of replanting trees lost due to a natural  
10 disaster, as determined by the Secretary, in ex-  
11 cess of 15 percent mortality (adjusted for nor-  
12 mal mortality); or

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

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

25 (4) LIMITATIONS ON ASSISTANCE.—

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

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

12 (C) ACRES.—The total quantity of acres  
13 planted to trees or tree seedlings for which a  
14 person or legal entity shall be entitled to receive  
15 payments under this subsection may not exceed  
16 500 acres.

17 (f) PAYMENT LIMITATIONS.—

18 (1) DEFINITIONS OF LEGAL ENTITY AND PER-  
19 SON.—In this subsection, the terms “legal entity”  
20 and “person” have the meaning given those terms in  
21 section 1001(a) of the Food Security Act of 1985 (7  
22 U.S.C. 1308(a)).

23 (2) AMOUNT.—The total amount of disaster as-  
24 sistance payments received, directly or indirectly, by  
25 a person or legal entity (excluding a joint venture or

1 general partnership) under this section (excluding  
2 payments received under subsection (e)) may not ex-  
3 ceed \$125,000 for any crop year.

4 (3) DIRECT CONTRIBUTION.—Subsections (e)  
5 and (f) of section 1001 of the Food Security Act of  
6 1985 (7 U.S.C. 1308) or any successor provisions  
7 relating to direct attribution shall apply with respect  
8 to assistance provided under this section.

## 9 **Subtitle F—Administration**

### 10 **SEC. 1601. ADMINISTRATION GENERALLY.**

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

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

18 (c) REGULATIONS.—

19 (1) IN GENERAL.—Except as otherwise pro-  
20 vided in this subsection, not later than 90 days after  
21 the date of enactment of this Act, the Secretary and  
22 the Commodity Credit Corporation, as appropriate,  
23 shall promulgate such regulations as are necessary  
24 to implement this title and the amendments made by  
25 this title.

1           (2) PROCEDURE.—The promulgation of the reg-  
2           ulations and administration of this title and the  
3           amendments made by this title and sections 11003  
4           and 11016 of this Act shall be made without regard  
5           to—

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

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

11                  (C) the Statement of Policy of the Sec-  
12                  retary of Agriculture effective July 24, 1971  
13                  (36 Fed. Reg. 13804), relating to notices of  
14                  proposed rulemaking and public participation in  
15                  rulemaking.

16           (3) CONGRESSIONAL REVIEW OF AGENCY RULE-  
17           MAKING.—In carrying out this subsection, the Sec-  
18           retary shall use the authority provided under section  
19           808 of title 5, United States Code.

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

22                   (1) REQUIRED DETERMINATION; ADJUST-  
23                   MENT.—If the Secretary determines that expendi-  
24                   tures under this title that are subject to the total al-  
25                   lowable domestic support levels under the Uruguay

1 Round Agreements (as defined in section 2 of the  
2 Uruguay Round Agreements Act (19 U.S.C. 3501))  
3 will exceed the allowable levels for any applicable re-  
4 porting period, the Secretary shall, to the maximum  
5 extent practicable, make adjustments in the amount  
6 of the expenditures during that period to ensure that  
7 the expenditures do not exceed the allowable levels.

8 (2) CONGRESSIONAL NOTIFICATION.—Before  
9 making any adjustment under paragraph (1), the  
10 Secretary shall submit to the Committee on Agri-  
11 culture of the House of Representatives and the  
12 Committee on Agriculture, Nutrition, and Forestry  
13 of the Senate a report describing the determination  
14 made under that paragraph and the extent of the  
15 adjustment to be made.

16 **SEC. 1602. SUSPENSION OF PERMANENT PRICE SUPPORT**  
17 **AUTHORITY.**

18 (a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—  
19 The following provisions of the Agricultural Adjustment  
20 Act of 1938 shall not be applicable to the 2014 through  
21 2018 crops of covered commodities (as defined in section  
22 1104), cotton, and sugar and shall not be applicable to  
23 milk during the period beginning on the date of enactment  
24 of this Act through December 31, 2018:

1           (1) Parts II through V of subtitle B of title III  
2           (7 U.S.C. 1326 et seq.).

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

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

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

8           (b) AGRICULTURAL ACT OF 1949.—The following  
9           provisions of the Agricultural Act of 1949 shall not be ap-  
10          plicable to the 2013 through 2018 crops of covered com-  
11          modities (as defined in section 1104), cotton, and sugar  
12          and shall not be applicable to milk during the period be-  
13          ginning on the date of enactment of this Act and through  
14          December 31, 2018:

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

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

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

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

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

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

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

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

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

1           (10) Title IV (7 U.S.C. 1421 et seq.), other  
2           than sections 404, 412, and 416 (7 U.S.C. 1424,  
3           1429, and 1431).

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

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

6           (c) **SUSPENSION OF CERTAIN QUOTA PROVISIONS.**—  
7           The joint resolution entitled “A joint resolution relating  
8           to corn and wheat marketing quotas under the Agricul-  
9           tural Adjustment Act of 1938, as amended”, approved  
10          May 26, 1941 (7 U.S.C. 1330, 1340), shall not be applica-  
11          ble to the crops of wheat planted for harvest in the cal-  
12          endar years 2014 through 2018.

13          **SEC. 1603. PAYMENT LIMITATIONS.**

14          (a) **IN GENERAL.**—Section 1001 of the Food Security  
15          Act of 1985 (7 U.S.C. 1308) is amended by striking sub-  
16          sections (b) and (c) and inserting the following:

17          “(b) **LIMITATION ON PAYMENTS FOR COVERED COM-**  
18          **MODITIES (OTHER THAN PEANUTS).**—

19                 “(1) **IN GENERAL.**—The total amount of pay-  
20                 ments received, directly or indirectly, by a person or  
21                 legal entity (except a joint venture or general part-  
22                 nership) for any crop year under section 1101(c) of  
23                 the Federal Agriculture Reform and Risk Manage-  
24                 ment Act of 2013 and subsections (b) and (c) of sec-

1       tion 1107 of such Act (other than peanuts) may not  
2       exceed \$125,000.

3           “(2) ADDITIONAL LIMITATION ON PAYMENTS  
4       RELATED TO UPLAND COTTON.—The total amount  
5       of direct payments received, directly or indirectly, by  
6       a person or legal entity (except a joint venture or a  
7       general partnership) for each of the 2014 and 2015  
8       crop years under section 1101(c) of the Federal Ag-  
9       riculture Reform and Risk Management Act of 2013  
10       may not exceed \$40,000.

11          “(c) LIMITATION ON PAYMENTS FOR PEANUTS.—  
12       The total amount of payments received, directly or indi-  
13       rectly, by a person or legal entity (except a joint venture  
14       or general partnership) for any crop year under subtitle  
15       A of title I of the Federal Agriculture Reform and Risk  
16       Management Act of 2013 for peanuts may not exceed  
17       \$125,000.”.

18          (b) CONFORMING AMENDMENTS.—

19           (1) Section 1001(f) of the Food Security Act of  
20       1985 (7 U.S.C. 1308(f)) is amended by striking “or  
21       title XII” each place it appears in paragraphs (5)(A)  
22       and (6)(A) and inserting “, title I of the Federal Ag-  
23       riculture Reform and Risk Management Act of  
24       2013, or title XII”.

1           (2) Section 1001C(a) of the Food Security Act  
2           of 1985 (7 U.S.C. 1308–3(a)) is amended by insert-  
3           ing “title I of the Federal Agriculture Reform and  
4           Risk Management Act of 2013,” after “2008,”.

5           (c) APPLICATION.—The amendments made by this  
6           section shall apply beginning with the 2014 crop year.

7           **SEC. 1604. ADJUSTED GROSS INCOME LIMITATION.**

8           (a) LIMITATIONS AND COVERED BENEFITS.—Section  
9           1001D(b) of the Food Security Act of 1985 (7 U.S.C.  
10          1308–3a(b)) is amended—

11           (1) in the subsection heading, by striking “LIM-  
12           ITATIONS” and inserting “LIMITATIONS ON COM-  
13           MODITY AND CONSERVATION PROGRAMS”;

14           (2) by striking paragraphs (1) and (2) and in-  
15           serting the following new paragraphs:

16           “(1) LIMITATION.—Notwithstanding any other  
17           provision of law, a person or legal entity shall not  
18           be eligible to receive any benefit described in para-  
19           graph (2) during a crop, fiscal, or program year, as  
20           appropriate, if the average adjusted gross income of  
21           the person or legal entity exceeds \$950,000.

22           “(2) COVERED BENEFITS.—Paragraph (1) ap-  
23           plies with respect to a payment or benefit under sub-  
24           title A, B, or E of title I, or title II of the Federal  
25           Agriculture Reform and Risk Management Act of

1 2013, title II of the Farm Security and Rural In-  
2 vestment Act of 2002, title II of the Food, Con-  
3 servation, and Energy Act of 2008, title XII of the  
4 Food Security Act of 1985, section 524(b) of the  
5 Federal Crop Insurance Act (7 U.S.C. 1524(b)), or  
6 section 196 of the Federal Agriculture Improvement  
7 and Reform Act of 1996 (7 U.S.C. 7333).”.

8 (b) ELIMINATION OF UNUSED DEFINITIONS.—Para-  
9 graph (1) of section 1001D(a) of the Food Security Act  
10 of 1985 (7 U.S.C. 1308–3a(a)) is amended to read as fol-  
11 lows:

12 “(1) AVERAGE ADJUSTED GROSS INCOME.—In  
13 this section, the term ‘average adjusted gross in-  
14 come’, with respect to a person or legal entity,  
15 means the average of the adjusted gross income or  
16 comparable measure of the person or legal entity  
17 over the 3 taxable years preceding the most imme-  
18 diately preceding complete taxable year, as deter-  
19 mined by the Secretary.”.

20 (c) INCOME DETERMINATION.—Section 1001D of the  
21 Food Security Act of 1985 (7 U.S.C. 1308–3a) is amend-  
22 ed—

23 (1) by striking subsection (c); and

24 (2) by redesignating subsections (d), (e), and

25 (f) as subsections (c), (d), and (e), respectively.

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

4 (1) in subsection (a)(2)—

5 (A) by striking “subparagraph (A) or (B)  
6 of”; and

7 (B) by striking “, the average adjusted  
8 gross farm income, and the average adjusted  
9 gross nonfarm income”;

10 (2) in subsection (a)(3), by striking “, average  
11 adjusted gross farm income, and average adjusted  
12 gross nonfarm income” both places it appears;

13 (3) in subsection (c) (as redesignated by sub-  
14 section (c)(2) of this section)—

15 (A) in paragraph (1), by striking “, aver-  
16 age adjusted gross farm income, and average  
17 adjusted gross nonfarm income” both places it  
18 appears; and

19 (B) in paragraph (2), by striking “para-  
20 graphs (1)(C) and (2)(B) of subsection (b)”  
21 and inserting “subsection (b)(2)”; and

22 (4) in subsection (d) (as redesignated by sub-  
23 section (c)(2) of this section)—

1 (A) by striking “paragraphs (1)(C) and  
2 (2)(B) of subsection (b)” and inserting “sub-  
3 section (b)(2)”; and

4 (B) by striking “, average adjusted gross  
5 farm income, or average adjusted gross non-  
6 farm income”.

7 (e) EFFECTIVE PERIOD.—Subsection (e) of section  
8 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–  
9 3a), as redesignated by subsection (c)(2) of this section,  
10 is amended by striking “2009 through 2012” and insert-  
11 ing “2014 through 2018”.

12 (f) LIMITATION ON APPLICABILITY.—Section  
13 1001(d) of the Food Security Act of 1985 (7 U.S.C. 1308)  
14 is amended by inserting before the period at the end the  
15 following: “or title I of the Federal Agriculture Reform  
16 and Risk Management Act of 2013”.

17 (g) TRANSITION.—Section 1001D of the Food Secu-  
18 rity Act of 1985 (7 U.S.C. 1308-3a), as in effect on the  
19 day before the date of the enactment of this Act, shall  
20 apply with respect to the 2013 crop, fiscal, or program  
21 year, as appropriate, for each program described in para-  
22 graphs (1)(C) and (2)(B) of subsection (b) of that section  
23 (as so in effect on that day).

1 **SEC. 1605. GEOGRAPHICALLY DISADVANTAGED FARMERS**  
2 **AND RANCHERS.**

3 Section 1621(d) of the Food, Conservation, and En-  
4 ergy Act of 2008 (7 U.S.C. 8792(d)) is amended by strik-  
5 ing “2012” and inserting “2018”.

6 **SEC. 1606. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.**  
7

8 Section 164 of the Federal Agriculture Improvement  
9 and Reform Act of 1996 (7 U.S.C. 7284) is amended by  
10 striking “and title I of the Food, Conservation, and En-  
11 ergy Act of 2008” each place it appears and inserting  
12 “title I of the Food, Conservation, and Energy Act of  
13 2008 (7 U.S.C. 8702 et seq.), and title I of the Federal  
14 Agriculture Reform and Risk Management Act of 2013”.

15 **SEC. 1607. PREVENTION OF DECEASED INDIVIDUALS RE-**  
16 **CEIVING PAYMENTS UNDER FARM COM-**  
17 **MODITY PROGRAMS.**

18 (a) RECONCILIATION.—At least twice each year, the  
19 Secretary shall reconcile social security numbers of all in-  
20 dividuals who receive payments under this title, whether  
21 directly or indirectly, with the Commissioner of Social Se-  
22 curity to determined if the individuals are alive.

23 (b) PRECLUSION.—The Secretary shall preclude the  
24 issuance of payments to, and on behalf of, deceased indi-  
25 viduals that were not eligible for payments.

1 **SEC. 1608. TECHNICAL CORRECTIONS.**

2 (a) MISSING PUNCTUATION.—Section 359f(c)(1)(B)  
3 of the Agricultural Adjustment Act of 1938 (7 U.S.C.  
4 1359ff(c)(1)(B)) is amended by adding a period at the  
5 end.

6 (b) ERRONEOUS CROSS REFERENCE.—

7 (1) AMENDMENT.—Section 1603(g) of the  
8 Food, Conservation, and Energy Act of 2008 (Public  
9 Law 110–246; 122 Stat. 1739) is amended in para-  
10 graphs (2) through (6) and the amendments made  
11 by those paragraphs by striking “1703(a)” each  
12 place it appears and inserting “1603(a)”.

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

17 (c) CONTINUED APPLICABILITY OF APPROPRIATIONS  
18 GENERAL PROVISION.—Section 767 of division A of Pub-  
19 lic Law 108–7 (7 U.S.C. 7911 note; 117 Stat. 48) is  
20 amended—

21 (1) in subsection (a)—

22 (A) by striking “sections 1101 and 1102 of  
23 Public Law 107–171” and inserting “subtitle A  
24 of title I of the Federal Agriculture Reform and  
25 Risk Management Act of 2013”; and

1 (B) by striking “such section 1102” and  
2 inserting “such subtitle”; and

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

5 “(b) This section, as amended by section 1608(c) of  
6 the Federal Agriculture Reform and Risk Management  
7 Act of 2013, shall take effect beginning with the 2014  
8 crop year.”.

9 **SEC. 1609. ASSIGNMENT OF PAYMENTS.**

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

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

18 **SEC. 1610. TRACKING OF BENEFITS.**

19 As soon as practicable after the date of enactment  
20 of this Act, the Secretary may track the benefits provided,  
21 directly or indirectly, to individuals and entities under ti-  
22 tles I and II and the amendments made by those titles.

23 **SEC. 1611. SIGNATURE AUTHORITY.**

24 (a) IN GENERAL.—In carrying out this title and title  
25 II and amendments made by those titles, if the Secretary

1 approves a document, the Secretary shall not subsequently  
2 determine the document is inadequate or invalid because  
3 of the lack of authority of any person signing the docu-  
4 ment on behalf of the applicant or any other individual,  
5 entity, general partnership, or joint venture, or the docu-  
6 ments relied upon were determined inadequate or invalid,  
7 unless the person signing the program document know-  
8 ingly and willfully falsified the evidence of signature au-  
9 thority or a signature.

10 (b) AFFIRMATION.—

11 (1) IN GENERAL.—Nothing in this section pro-  
12 hibits the Secretary from asking a proper party to  
13 affirm any document that otherwise would be consid-  
14 ered approved under subsection (a).

15 (2) NO RETROACTIVE EFFECT.—A denial of  
16 benefits based on a lack of affirmation under para-  
17 graph (1) shall not be retroactive with respect to  
18 third-party producers who were not the subject of  
19 the erroneous representation of authority, if the  
20 third-party producers—

21 (A) relied on the prior approval by the Sec-  
22 retary of the documents in good faith; and

23 (B) substantively complied with all pro-  
24 gram requirements.

1 **SEC. 1612. IMPLEMENTATION.**

2 (a) STREAMLINING.—In implementing this title, the  
3 Secretary shall, to the maximum extent practicable—

4 (1) seek to reduce administrative burdens and  
5 costs to producers by streamlining and reducing pa-  
6 perwork, forms, and other administrative require-  
7 ments;

8 (2) improve coordination, information sharing,  
9 and administrative work with the Risk Management  
10 Agency and the Natural Resources Conservation  
11 Service; and

12 (3) take advantage of new technologies to en-  
13 hance efficiency and effectiveness of program deliv-  
14 ery to producers.

15 (b) MAINTENANCE OF BASE ACRES AND PAYMENT  
16 YIELDS.—

17 (1) IN GENERAL.—The Secretary shall main-  
18 tain through September 30, 2018, for each covered  
19 commodity and upland cotton, base acres and pay-  
20 ment yields on a farm established under—

21 (A)(i) in the case of covered commodities  
22 and upland cotton, sections 1101 and 1102 of  
23 the Farm Security and Rural Investment Act of  
24 2002 (7 U.S.C. 7911, 7912); and

25 (ii) in the case of peanuts, section 1302 of  
26 that Act (7 U.S.C. 7952); and

1 (B)(i) in the case of covered commodities  
2 and upland cotton, sections 1101 and 1102 of  
3 the Food, Conservation, and Energy Act of  
4 2008 (7 U.S.C. 8711, 8712); and

5 (ii) in the case of peanuts, section 1302 of  
6 that Act (7 U.S.C. 8752).

7 (2) SPECIAL RULE FOR LONG GRAIN AND ME-  
8 DIUM GRAIN RICE.—

9 (A) IN GENERAL.—The Secretary shall  
10 maintain separate base acres for long grain rice  
11 and medium grain rice.

12 (B) LIMITATION.—In carrying out this  
13 paragraph, the Secretary shall use the same  
14 total base acres and payment yields established  
15 with respect to rice under sections 1108 of the  
16 Food, Conservation, and Energy Act of 2008 (7  
17 U.S.C. 8718), as in effect on the day before the  
18 date of enactment of this Act, subject to any  
19 adjustment under section 1105.

20 (c) IMPLEMENTATION.—The Secretary shall make  
21 available to the Farm Service Agency to carry out this  
22 title \$100,000,000.

1           **TITLE II—CONSERVATION**  
2           **Subtitle A—Conservation Reserve**  
3           **Program**

4           **SEC. 2001. EXTENSION AND ENROLLMENT REQUIREMENTS**  
5                           **OF CONSERVATION RESERVE PROGRAM.**

6           (a) **EXTENSION.**—Section 1231(a) of the Food Secu-  
7 rity Act of 1985 (16 U.S.C. 3831(a)) is amended by strik-  
8 ing “2012” and inserting “2018”.

9           (b) **ELIGIBLE LAND.**—Section 1231(b) of the Food  
10 Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

11                   (1) in paragraph (1)(B), by striking “the date  
12 of enactment of the Food, Conservation, and Energy  
13 Act of 2008” and inserting “the date of the enact-  
14 ment of the Federal Agriculture Reform and Risk  
15 Management Act of 2013”;

16                   (2) by striking paragraph (2) and redesignating  
17 paragraph (3) as paragraph (2);

18                   (3) by inserting before paragraph (4) the fol-  
19 lowing new paragraph:

20                           “(3) grasslands that—

21                                   “(A) contain forbs or shrubland (including  
22 improved rangeland and pastureland) for which  
23 grazing is the predominant use;

24                                   “(B) are located in an area historically  
25 dominated by grasslands; and

1           “(C) could provide habitat for animal and  
2           plant populations of significant ecological value  
3           if the land is retained in its current use or re-  
4           stored to a natural condition;”;

5           (4) in paragraph (4)(C), by striking  
6           “filterstrips devoted to trees or shrubs” and insert-  
7           ing “filterstrips or riparian buffers devoted to trees,  
8           shrubs, or grasses”; and

9           (5) by striking paragraph (5) and inserting the  
10          following new paragraph:

11          “(5) the portion of land in a field not enrolled  
12          in the conservation reserve in a case in which—

13                 “(A) more than 50 percent of the land in  
14                 the field is enrolled as a buffer or filterstrip, or  
15                 more than 75 percent of the land in the field  
16                 is enrolled as a conservation practice other than  
17                 as a buffer or filterstrip; and

18                 “(B) the remainder of the field is—

19                         “(i) infeasible to farm; and

20                         “(ii) enrolled at regular rental rates.”.

21          (c) PLANTING STATUS OF CERTAIN LAND.—Section  
22          1231(c) of the Food Security Act of 1985 (16 U.S.C.  
23          3831(c)) is amended by striking “if” and all that follows  
24          through the period at the end and inserting “if, during  
25          the crop year, the land was devoted to a conserving use.”.

1 (d) ENROLLMENT.—Subsection (d) of section 1231  
2 of the Food Security Act of 1985 (16 U.S.C. 3831) is  
3 amended to read as follows:

4 “(d) ENROLLMENT.—

5 “(1) MAXIMUM ACREAGE ENROLLED.—The  
6 Secretary may maintain in the conservation reserve  
7 at any one time during—

8 “(A) fiscal year 2014, no more than  
9 27,500,000 acres;

10 “(B) fiscal year 2015, no more than  
11 26,000,000 acres;

12 “(C) fiscal year 2016, no more than  
13 25,000,000 acres;

14 “(D) fiscal year 2017, no more than  
15 24,000,000 acres; and

16 “(E) fiscal year 2018, no more than  
17 24,000,000 acres.

18 “(2) GRASSLANDS.—

19 “(A) LIMITATION.—For purposes of apply-  
20 ing the limitations in paragraph (1), no more  
21 than 2,000,000 acres of the land described in  
22 subsection (b)(3) may be enrolled in the pro-  
23 gram at any one time during the 2014 through  
24 2018 fiscal years.

1           “(B) PRIORITY.—In enrolling acres under  
2           subparagraph (A), the Secretary may give pri-  
3           ority to land with expiring conservation reserve  
4           program contracts.

5           “(C) METHOD OF ENROLLMENT.—In en-  
6           rolling acres under subparagraph (A), the Sec-  
7           retary shall make the program available to own-  
8           ers or operators of eligible land on a continuous  
9           enrollment basis with one or more ranking peri-  
10          ods.”.

11          (e) DURATION OF CONTRACT.—Section 1231(e) of  
12          the Food Security Act of 1985 (16 U.S.C. 3831(e)) is  
13          amended by striking paragraphs (2) and (3) and inserting  
14          the following new paragraph:

15                 “(2) SPECIAL RULE FOR CERTAIN LAND.—In  
16                 the case of land devoted to hardwood trees,  
17                 shelterbelts, windbreaks, or wildlife corridors under  
18                 a contract entered into under this subchapter, the  
19                 owner or operator of the land may, within the limita-  
20                 tions prescribed under paragraph (1), specify the du-  
21                 ration of the contract.”.

22          (f) CONSERVATION PRIORITY AREAS.—Section  
23          1231(f) of the Food Security Act of 1985 (16 U.S.C.  
24          3831(f)) is amended—

1 (1) in paragraph (1), by striking “watershed  
2 areas of the Chesapeake Bay Region, the Great  
3 Lakes Region, the Long Island Sound Region, and  
4 other”;

5 (2) in paragraph (2), by striking “WATER-  
6 SHEDS.—Watersheds” and inserting “AREAS.—  
7 Areas”; and

8 (3) in paragraph (3), by striking “a watershed’s  
9 designation—” and all that follows through the pe-  
10 riod at the end and inserting “an area’s designation  
11 if the Secretary finds that the area no longer con-  
12 tains actual and significant adverse water quality or  
13 habitat impacts related to agricultural production  
14 activities.”.

15 **SEC. 2002. FARMABLE WETLAND PROGRAM.**

16 (a) EXTENSION.—Section 1231B(a)(1) of the Food  
17 Security Act of 1985 (16 U.S.C. 3831b(a)(1)) is amend-  
18 ed—

19 (1) by striking “2012” and inserting “2018”;  
20 and

21 (2) by striking “a program” and inserting “a  
22 farmable wetland program”.

23 (b) ELIGIBLE ACREAGE.—Section 1231B(b)(1)(B) of  
24 the Food Security Act of 1985 (16 U.S.C.  
25 3831b(b)(1)(B)) is amended by striking “flow from a row

1 crop agriculture drainage system” and inserting “surface  
2 and subsurface flow from row crop agricultural produc-  
3 tion”.

4 (c) ACREAGE LIMITATION.—Section 1231B(c)(1)(B)  
5 of the Food Security Act of 1985 (16 U.S.C.  
6 3831b(c)(1)(B)) is amended by striking “1,000,000” and  
7 inserting “750,000”.

8 (d) CLERICAL AMENDMENT.—The heading of section  
9 1231B of the Food Security Act of 1985 (16 U.S.C.  
10 3831b) is amended to read as follows: “**FARMABLE WET-**  
11 **LAND PROGRAM**”.

12 **SEC. 2003. DUTIES OF OWNERS AND OPERATORS.**

13 (a) LIMITATION ON HARVESTING, GRAZING, OR COM-  
14 Mercial USE OF FORAGE.—Section 1232(a)(8) of the  
15 Food Security Act of 1985 (16 U.S.C. 3832(a)(8)) is  
16 amended by striking “except that” and all that follows  
17 through the semicolon at the end of the paragraph and  
18 inserting “except as provided in subsection (b) or (c) of  
19 section 1233;”.

20 (b) CONSERVATION PLAN REQUIREMENTS.—Sub-  
21 section (b) of section 1232 of the Food Security Act of  
22 1985 (16 U.S.C. 3832) is amended to read as follows:

23 “(b) CONSERVATION PLANS.—The plan referred to  
24 in subsection (a)(1) shall set forth—

1           “(1) the conservation measures and practices to  
2           be carried out by the owner or operator during the  
3           term of the contract; and

4           “(2) the commercial use, if any, to be permitted  
5           on the land during the term.”.

6           (c) RENTAL PAYMENT REDUCTION.—Section 1232  
7           of the Food Security Act of 1985 (16 U.S.C. 3832) is  
8           amended by striking subsection (d).

9           **SEC. 2004. DUTIES OF THE SECRETARY.**

10          Section 1233 of the Food Security Act of 1985 (16  
11          U.S.C. 3833) is amended to read as follows:

12          **“SEC. 1233. DUTIES OF THE SECRETARY.**

13          “(a) COST-SHARE AND RENTAL PAYMENTS.—In re-  
14          turn for a contract entered into by an owner or operator  
15          under the conservation reserve program, the Secretary  
16          shall—

17                 “(1) share the cost of carrying out the con-  
18                 servation measures and practices set forth in the  
19                 contract for which the Secretary determines that  
20                 cost sharing is appropriate and in the public inter-  
21                 est; and

22                 “(2) for a period of years not in excess of the  
23                 term of the contract, pay an annual rental payment  
24                 in an amount necessary to compensate for—

1           “(A) the conversion of highly erodible crop-  
2           land or other eligible lands normally devoted to  
3           the production of an agricultural commodity on  
4           a farm or ranch to a less intensive use;

5           “(B) the retirement of any base history  
6           that the owner or operator agrees to retire per-  
7           manently; and

8           “(C) the development and management of  
9           grasslands for multiple natural resource con-  
10          servation benefits, including to soil, water, air,  
11          and wildlife.

12          “(b) SPECIFIED ACTIVITIES PERMITTED.—The Sec-  
13          retary shall permit certain activities or commercial uses  
14          of land that is subject to a contract under the conservation  
15          reserve program in a manner that is consistent with a plan  
16          approved by the Secretary, as follows:

17                 “(1) Harvesting, grazing, or other commercial  
18                 use of the forage in response to a drought or other  
19                 emergency created by a natural disaster, without  
20                 any reduction in the rental rate.

21                 “(2) Consistent with the conservation of soil,  
22                 water quality, and wildlife habitat (including habitat  
23                 during nesting seasons for birds in the area), and in  
24                 exchange for a reduction of not less than 25 percent

1 in the annual rental rate for the acres covered by  
2 the authorized activity—

3 “(A) managed harvesting and other com-  
4 mercial use (including the managed harvesting  
5 of biomass), except that in permitting managed  
6 harvesting, the Secretary, in coordination with  
7 the State technical committee—

8 “(i) shall develop appropriate vegeta-  
9 tion management requirements; and

10 “(ii) shall identify periods during  
11 which managed harvesting may be con-  
12 ducted, such that the frequency is not  
13 more than once every three years;

14 “(B) routine grazing or prescribed grazing  
15 for the control of invasive species, except that  
16 in permitting such routine grazing or prescribed  
17 grazing, the Secretary, in coordination with the  
18 State technical committee—

19 “(i) shall develop appropriate vegeta-  
20 tion management requirements and stock-  
21 ing rates for the land that are suitable for  
22 continued routine grazing; and

23 “(ii) shall identify the periods during  
24 which routine grazing may be conducted,  
25 such that the frequency is not more than

1                   once every two years, taking into consider-  
2                   ation regional differences such as—

3                               “(I) climate, soil type, and nat-  
4                               ural resources;

5                               “(II) the number of years that  
6                               should be required between routine  
7                               grazing activities; and

8                               “(III) how often during a year in  
9                               which routine grazing is permitted  
10                              that routine grazing should be allowed  
11                              to occur; and

12                             “(C) the installation of wind turbines and  
13                             associated access, except that in permitting the  
14                             installation of wind turbines, the Secretary shall  
15                             determine the number and location of wind tur-  
16                             bines that may be installed, taking into ac-  
17                             count—

18                               “(i) the location, size, and other phys-  
19                               ical characteristics of the land;

20                               “(ii) the extent to which the land con-  
21                               tains wildlife and wildlife habitat; and

22                               “(iii) the purposes of the conservation  
23                               reserve program under this subchapter.

24                             “(3) The intermittent and seasonal use of vege-  
25                             tative buffer practices incidental to agricultural pro-

1       duction on lands adjacent to the buffer such that the  
2       permitted use does not destroy the permanent vege-  
3       tative cover.

4       “(c) AUTHORIZED ACTIVITIES ON GRASSLANDS.—  
5 For eligible land described in section 1231(b)(3), the Sec-  
6 retary shall permit the following activities:

7           “(1) Common grazing practices, including  
8       maintenance and necessary cultural practices, on the  
9       land in a manner that is consistent with maintaining  
10      the viability of grassland, forb, and shrub species ap-  
11      propriate to that locality.

12          “(2) Haying, mowing, or harvesting for seed  
13      production, subject to appropriate restrictions dur-  
14      ing the nesting season for critical bird species in the  
15      area.

16          “(3) Fire presuppression, fire-related rehabilita-  
17      tion, and construction of fire breaks.

18          “(4) Grazing-related activities, such as fencing  
19      and livestock watering.

20      “(d) RESOURCE CONSERVING USE.—

21          “(1) IN GENERAL.—Beginning on the date that  
22      is 1 year before the date of termination of a contract  
23      under the program, the Secretary shall allow an  
24      owner or operator to make conservation and land

1 improvements that facilitate maintaining protection  
2 of enrolled land after expiration of the contract.

3 “(2) CONSERVATION PLAN.—The Secretary  
4 shall require an owner or operator carrying out the  
5 activities described in paragraph (1) to develop and  
6 implement a conservation plan.

7 “(3) RE-ENROLLMENT PROHIBITED.—Land im-  
8 proved under paragraph (1) may not be re-enrolled  
9 in the conservation reserve program for 5 years after  
10 the date of termination of the contract.”.

11 **SEC. 2005. PAYMENTS.**

12 (a) TREES, WINDBREAKS, SHELTERBELTS, AND  
13 WILDLIFE CORRIDORS.—Section 1234(b)(3)(A) of the  
14 Food Security Act of 1985 (16 U.S.C. 3834(b)(3)(A)) is  
15 amended—

16 (1) in clause (i), by inserting “and” after the  
17 semicolon;

18 (2) by striking clause (ii); and

19 (3) by redesignating clause (iii) as clause (ii).

20 (b) ANNUAL RENTAL PAYMENTS.—Section 1234(c)  
21 of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is  
22 amended—

23 (1) in paragraph (1), by inserting “or other eli-  
24 gible lands” after “highly erodible cropland” both  
25 places it appears; and

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

3           “(2) METHODS OF DETERMINATION.—

4                   “(A) IN GENERAL.—The amounts payable  
5 to owners or operators in the form of rental  
6 payments under contracts entered into under  
7 this subchapter may be determined through—

8                           “(i) the submission of bids for such  
9 contracts by owners and operators in such  
10 manner as the Secretary may prescribe; or

11                           “(ii) such other means as the Sec-  
12 retary determines are appropriate.

13                   “(B) GRASSLANDS.—In the case of eligible  
14 land described in section 1231(b)(3), the Sec-  
15 retary shall make annual payments in an  
16 amount that is not more than 75 percent of the  
17 grazing value of the land covered by the con-  
18 tract.”.

19           (c) PAYMENT SCHEDULE.—Subsection (d) of section  
20 1234 of the Food Security Act of 1985 (16 U.S.C. 3834)  
21 is amended to read as follows:

22           “(d) PAYMENT SCHEDULE.—

23                   “(1) IN GENERAL.—Except as otherwise pro-  
24 vided in this section, payments under this sub-  
25 chapter shall be made in cash in such amount and

1 on such time schedule as is agreed on and specified  
2 in the contract.

3 “(2) ADVANCE PAYMENT.—Payments under  
4 this subchapter may be made in advance of deter-  
5 mination of performance.”.

6 (d) PAYMENT LIMITATION.—Section 1234(f) of the  
7 Food Security Act of 1985 (16 U.S.C. 3834(f)) is amend-  
8 ed—

9 (1) in paragraph (1), by striking “, including  
10 rental payments made in the form of in-kind com-  
11 modities,”;

12 (2) by striking paragraph (3); and

13 (3) by redesignating paragraph (4) as para-  
14 graph (2).

15 **SEC. 2006. CONTRACT REQUIREMENTS.**

16 (a) EARLY TERMINATION BY OWNER OR OPER-  
17 ATOR.—Section 1235(e) of the Food Security Act of 1985  
18 (16 U.S.C. 3835(e)) is amended—

19 (1) in paragraph (1)(A)—

20 (A) by striking “The Secretary” and in-  
21 serting “During fiscal year 2014, the Sec-  
22 retary”; and

23 (B) by striking “before January 1, 1995,”;

24 (2) in paragraph (2), by striking subparagraph

25 (C) and inserting the following:

1           “(C) Land devoted to hardwood trees.

2           “(D) Wildlife habitat, duck nesting habi-  
3           tat, pollinator habitat, upland bird habitat buff-  
4           er, wildlife food plots, State acres for wildlife  
5           enhancement, shallow water areas for wildlife,  
6           and rare and declining habitat.

7           “(E) Farmable wetland and restored wet-  
8           land.

9           “(F) Land that contains diversions, ero-  
10          sion control structures, flood control structures,  
11          contour grass strips, living snow fences, salinity  
12          reducing vegetation, cross wind trap strips, and  
13          sediment retention structures.

14          “(G) Land located within a federally-des-  
15          ignated wellhead protection area.

16          “(H) Land that is covered by an easement  
17          under the conservation reserve program.

18          “(I) Land located within an average width,  
19          according to the applicable Natural Resources  
20          Conservation Service field office technical guide,  
21          of a perennial stream or permanent water  
22          body.”; and

23          (3) in paragraph (3), by striking “60 days after  
24          the date on which the owner or operator submits the

1 notice required under paragraph (1)(C)” and insert-  
2 ing “upon approval by the Secretary”.

3 (b) TRANSITION OPTION FOR CERTAIN FARMERS OR  
4 RANCHERS.—Section 1235(f) of the Food Security Act of  
5 1985 (16 U.S.C. 3835(f)) is amended—

6 (1) in paragraph (1)—

7 (A) in the matter preceding subparagraph  
8 (A), by striking “DUTIES” and all that follows  
9 through “a beginning farmer” and inserting  
10 “TRANSITION TO COVERED FARMER OR RANCH-  
11 ER.—In the case of a contract modification ap-  
12 proved in order to facilitate the transfer of land  
13 subject to a contract from a retired farmer or  
14 rancher to a beginning farmer”;

15 (B) in subparagraph (A)(i), by inserting “,  
16 including preparing to plant an agricultural  
17 crop” after “improvements”;

18 (C) in subparagraph (D), by striking “the  
19 farmer or rancher” and inserting “the covered  
20 farmer or rancher”; and

21 (D) in subparagraph (E), by striking “sec-  
22 tion 1001A(b)(3)(B)” and inserting “section  
23 1001”; and

1           (2) in paragraph (2), by striking “requirement  
2           of section 1231(h)(4)(B)” and inserting “option pur-  
3           suant to section 1234(c)(2)(A)(ii)”.

4           (c) FINAL YEAR CONTRACT.—Section 1235 of the  
5 Food Security Act of 1985 (16 U.S.C. 3835) is amended  
6 by adding at the end the following new subsections:

7           “(g) FINAL YEAR OF CONTRACT.—The Secretary  
8 shall not consider an owner or operator to be in violation  
9 of a term or condition of the conservation reserve contract  
10 if—

11           “(1) during the year prior to expiration of the  
12 contract, the land is enrolled in the conservation  
13 stewardship program; and

14           “(2) the activity required under the conserva-  
15 tion stewardship program pursuant to such enroll-  
16 ment is consistent with this subchapter.

17           “(h) LAND ENROLLED IN AGRICULTURAL CON-  
18 SERVATION EASEMENT PROGRAM.—The Secretary may  
19 terminate or modify a contract entered into under this  
20 subchapter if eligible land that is subject to such contract  
21 is transferred into the agricultural conservation easement  
22 program under subtitle H.”.

1 **SEC. 2007. CONVERSION OF LAND SUBJECT TO CONTRACT**  
2 **TO OTHER CONSERVING USES.**

3 Section 1235A of the Food Security Act of 1985 (16  
4 U.S.C. 3835a) is repealed.

5 **SEC. 2008. EFFECTIVE DATE.**

6 (a) **IN GENERAL.**—The amendments made by this  
7 subtitle shall take effect on October 1, 2013, except the  
8 amendment made by section 2001(d), which shall take ef-  
9 fect on the date of the enactment of this Act.

10 (b) **EFFECT ON EXISTING CONTRACTS.**—

11 (1) **IN GENERAL.**—Except as provided in para-  
12 graph (2), the amendments made by this subtitle  
13 shall not affect the validity or terms of any contract  
14 entered into by the Secretary of Agriculture under  
15 subchapter B of chapter 1 of subtitle D of title XII  
16 of the Food Security Act of 1985 (16 U.S.C. 3831  
17 et seq.) before October 1, 2013, or any payments re-  
18 quired to be made in connection with the contract.

19 (2) **UPDATING OF EXISTING CONTRACTS.**—The  
20 Secretary shall permit an owner or operator of land  
21 subject to a contract entered into under subchapter  
22 B of chapter 1 of subtitle D of title XII of the Food  
23 Security Act of 1985 (16 U.S.C. 3831 et seq.) be-  
24 fore October 1, 2013, to update the contract to re-  
25 flect the activities and uses of land under contract  
26 permitted under the terms and conditions of section

1 1233(b) of that Act (as amended by section 2004),  
2 as determined appropriate by the Secretary.

3 **Subtitle B—Conservation**  
4 **Stewardship Program**

5 **SEC. 2101. CONSERVATION STEWARDSHIP PROGRAM.**

6 (a) REVISION OF CURRENT PROGRAM.—Subchapter  
7 B of chapter 2 of subtitle D of title XII of the Food Secu-  
8 rity Act of 1985 (16 U.S.C. 3838d et seq.) is amended  
9 to read as follows:

10 **“Subchapter B—Conservation Stewardship**  
11 **Program**

12 **“SEC. 1238D. DEFINITIONS.**

13 “In this subchapter:

14 “(1) AGRICULTURAL OPERATION.—The term  
15 ‘agricultural operation’ means all eligible land,  
16 whether or not contiguous, that is—

17 “(A) under the effective control of a pro-  
18 ducer at the time the producer enters into a  
19 contract under the program; and

20 “(B) operated with equipment, labor, man-  
21 agement, and production or cultivation prac-  
22 tices that are substantially separate from other  
23 agricultural operations, as determined by the  
24 Secretary.

25 “(2) CONSERVATION ACTIVITIES.—

1           “(A) IN GENERAL.—The term ‘conserva-  
2           tion activities’ means conservation systems,  
3           practices, or management measures.

4           “(B) INCLUSIONS.—The term ‘conserva-  
5           tion activities’ includes—

6                   “(i) structural measures, vegetative  
7                   measures, and land management measures,  
8                   including agriculture drainage manage-  
9                   ment systems, as determined by the Sec-  
10                  retary; and

11                   “(ii) planning needed to address a pri-  
12                  ority resource concern.

13           “(3) CONSERVATION STEWARDSHIP PLAN.—  
14           The term ‘conservation stewardship plan’ means a  
15           plan that—

16                   “(A) identifies and inventories priority re-  
17                   source concerns;

18                   “(B) establishes benchmark data and con-  
19                   servation objectives;

20                   “(C) describes conservation activities to be  
21                   implemented, managed, or improved; and

22                   “(D) includes a schedule and evaluation  
23                   plan for the planning, installation, and manage-  
24                   ment of the new and existing conservation ac-  
25                   tivities.

1 “(4) ELIGIBLE LAND.—

2 “(A) IN GENERAL.—The term ‘eligible  
3 land’ means—

4 “(i) private or tribal land on which  
5 agricultural commodities, livestock, or for-  
6 est-related products are produced; and

7 “(ii) lands associated with the land  
8 described in clause (i) on which priority re-  
9 source concerns could be addressed  
10 through a contract under the program.

11 “(B) INCLUSIONS.—The term ‘eligible  
12 land’ includes—

13 “(i) cropland;

14 “(ii) grassland;

15 “(iii) rangeland;

16 “(iv) pasture land;

17 “(v) nonindustrial private forest land;

18 and

19 “(vi) other agricultural areas (includ-  
20 ing cropped woodland, marshes, and agri-  
21 cultural land used or capable of being used  
22 for the production of livestock), as deter-  
23 mined by the Secretary.

24 “(5) PRIORITY RESOURCE CONCERN.—The  
25 term ‘priority resource concern’ means a natural re-

1 source concern or problem, as determined by the  
2 Secretary, that—

3 “(A) is identified at the national, State, or  
4 local level as a priority for a particular area of  
5 a State;

6 “(B) represents a significant concern in a  
7 State or region; and

8 “(C) is likely to be addressed successfully  
9 through the implementation of conservation ac-  
10 tivities under this program.

11 “(6) PROGRAM.—The term ‘program’ means  
12 the conservation stewardship program established by  
13 this subchapter.

14 “(7) STEWARDSHIP THRESHOLD.—The term  
15 ‘stewardship threshold’ means the level of manage-  
16 ment required, as determined by the Secretary, to  
17 conserve and improve the quality and condition of a  
18 natural resource.

19 **“SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.**

20 “(a) ESTABLISHMENT AND PURPOSE.—During each  
21 of fiscal years 2014 through 2018, the Secretary shall  
22 carry out a conservation stewardship program to encour-  
23 age producers to address priority resource concerns in a  
24 comprehensive manner—

1           “(1) by undertaking additional conservation ac-  
2           tivities; and

3           “(2) by improving, maintaining, and managing  
4           existing conservation activities.

5           “(b) EXCLUSIONS.—

6           “(1) LAND ENROLLED IN OTHER CONSERVA-  
7           TION PROGRAMS.—Subject to paragraph (2), the fol-  
8           lowing land (even if covered by the definition of eli-  
9           gible land) is not eligible for enrollment in the pro-  
10          gram:

11           “(A) Land enrolled in the conservation re-  
12          serve program, unless—

13           “(i) the conservation reserve contract  
14           will expire at the end of the fiscal year in  
15           which the land is to be enrolled in the pro-  
16           gram; and

17           “(ii) conservation reserve program  
18           payments for land enrolled in the program  
19           cease before the first program payment is  
20           made to the applicant under this sub-  
21           chapter.

22           “(B) Land enrolled in a wetland easement  
23           through the agricultural conservation easement  
24           program.

1           “(C) Land enrolled in the conservation se-  
2           curity program.

3           “(2) CONVERSION TO CROPLAND.—Eligible  
4           land used for crop production after October 1, 2013,  
5           that had not been planted, considered to be planted,  
6           or devoted to crop production for at least 4 of the  
7           6 years preceding that date shall not be the basis for  
8           any payment under the program, unless the land  
9           does not meet the requirement because—

10           “(A) the land had previously been enrolled  
11           in the conservation reserve program;

12           “(B) the land has been maintained using  
13           long-term crop rotation practices, as determined  
14           by the Secretary; or

15           “(C) the land is incidental land needed for  
16           efficient operation of the farm or ranch, as de-  
17           termined by the Secretary.

18 **“SEC. 1238F. STEWARDSHIP CONTRACTS.**

19           “(a) SUBMISSION OF CONTRACT OFFERS.—To be eli-  
20           gible to participate in the conservation stewardship pro-  
21           gram, a producer shall submit to the Secretary a contract  
22           offer for the agricultural operation that—

23           “(1) demonstrates to the satisfaction of the  
24           Secretary that the producer, at the time of the con-

1 tract offer, meets or exceeds the stewardship thresh-  
2 old for at least 2 priority resource concerns; and

3 “(2) would, at a minimum, meet or exceed the  
4 stewardship threshold for at least 1 additional pri-  
5 ority resource concern by the end of the stewardship  
6 contract by—

7 “(A) installing and adopting additional  
8 conservation activities; and

9 “(B) improving, maintaining, and man-  
10 aging existing conservation activities across the  
11 entire agricultural operation in a manner that  
12 increases or extends the conservation benefits in  
13 place at the time the contract offer is accepted  
14 by the Secretary.

15 “(b) EVALUATION OF CONTRACT OFFERS.—

16 “(1) RANKING OF APPLICATIONS.—In evalu-  
17 ating contract offers submitted under subsection (a),  
18 the Secretary shall rank applications based on—

19 “(A) the level of conservation treatment on  
20 all applicable priority resource concerns at the  
21 time of application;

22 “(B) the degree to which the proposed con-  
23 servation activities effectively increase conserva-  
24 tion performance;

1           “(C) the number of applicable priority re-  
2           source concerns proposed to be treated to meet  
3           or exceed the stewardship threshold by the end  
4           of the contract;

5           “(D) the extent to which other priority re-  
6           source concerns will be addressed to meet or ex-  
7           ceed the stewardship threshold by the end of  
8           the contract period;

9           “(E) the extent to which the actual and  
10          anticipated conservation benefits from the con-  
11          tract are provided at the least cost relative to  
12          other similarly beneficial contract offers; and

13          “(F) the extent to which priority resource  
14          concerns will be addressed when transitioning  
15          from the conservation reserve program to agri-  
16          cultural production.

17          “(2) PROHIBITION.—The Secretary may not as-  
18          sign a higher priority to any application because the  
19          applicant is willing to accept a lower payment than  
20          the applicant would otherwise be eligible to receive.

21          “(3) ADDITIONAL CRITERIA.—The Secretary  
22          may develop and use such additional criteria that  
23          the Secretary determines are necessary to ensure  
24          that national, State, and local priority resource con-  
25          cerns are effectively addressed.

1       “(c) ENTERING INTO CONTRACTS.—After a deter-  
2 mination that a producer is eligible for the program under  
3 subsection (a), and a determination that the contract offer  
4 ranks sufficiently high under the evaluation criteria under  
5 subsection (b), the Secretary shall enter into a conserva-  
6 tion stewardship contract with the producer to enroll the  
7 eligible land to be covered by the contract.

8       “(d) CONTRACT PROVISIONS.—

9           “(1) TERM.—A conservation stewardship con-  
10 tract shall be for a term of 5 years.

11           “(2) REQUIRED PROVISIONS.—The conservation  
12 stewardship contract of a producer shall—

13           “(A) state the amount of the payment the  
14 Secretary agrees to make to the producer for  
15 each year of the conservation stewardship con-  
16 tract under section 1238G(d);

17           “(B) require the producer—

18           “(i) to implement a conservation stew-  
19 ardship plan that describes the program  
20 purposes to be achieved through 1 or more  
21 conservation activities;

22           “(ii) to maintain and supply informa-  
23 tion as required by the Secretary to deter-  
24 mine compliance with the conservation

1 stewardship plan and any other require-  
2 ments of the program; and

3 “(iii) not to conduct any activities on  
4 the agricultural operation that would tend  
5 to defeat the purposes of the program;

6 “(C) permit all economic uses of the eligi-  
7 ble land that—

8 “(i) maintain the agricultural nature  
9 of the land; and

10 “(ii) are consistent with the conserva-  
11 tion purposes of the conservation steward-  
12 ship contract;

13 “(D) include a provision to ensure that a  
14 producer shall not be considered in violation of  
15 the contract for failure to comply with the con-  
16 tract due to circumstances beyond the control  
17 of the producer, including a disaster or related  
18 condition, as determined by the Secretary;

19 “(E) include provisions requiring that  
20 upon the violation of a term or condition of the  
21 contract at any time the producer has control  
22 of the land—

23 “(i) if the Secretary determines that  
24 the violation warrants termination of the  
25 contract—

1                   “(I) the producer shall forfeit all  
2                   rights to receive payments under the  
3                   contract; and

4                   “(II) the producer shall refund  
5                   all or a portion of the payments re-  
6                   ceived by the producer under the con-  
7                   tract, including any interest on the  
8                   payments, as determined by the Sec-  
9                   retary; or

10                  “(ii) if the Secretary determines that  
11                  the violation does not warrant termination  
12                  of the contract, the producer shall refund  
13                  or accept adjustments to the payments  
14                  provided to the producer, as the Secretary  
15                  determines to be appropriate;

16                  “(F) include provisions in accordance with  
17                  paragraphs (3) and (4) of this section; and

18                  “(G) include any additional provisions the  
19                  Secretary determines are necessary to carry out  
20                  the program.

21                  “(3) CHANGE OF INTEREST IN LAND SUBJECT  
22                  TO A CONTRACT.—

23                  “(A) IN GENERAL.—At the time of appli-  
24                  cation, a producer shall have control of the eli-  
25                  gible land to be enrolled in the program. Except

1 as provided in subparagraph (B), a change in  
2 the interest of a producer in eligible land cov-  
3 ered by a contract under the program shall re-  
4 sult in the termination of the contract with re-  
5 gard to that land.

6 “(B) TRANSFER OF DUTIES AND  
7 RIGHTS.—Subparagraph (A) shall not apply  
8 if—

9 “(i) within a reasonable period of time  
10 (as determined by the Secretary) after the  
11 date of the change in the interest in eligi-  
12 ble land covered by a contract under the  
13 program, the transferee of the land pro-  
14 vides written notice to the Secretary that  
15 all duties and rights under the contract  
16 have been transferred to, and assumed by,  
17 the transferee for the portion of the land  
18 transferred;

19 “(ii) the transferee meets the eligi-  
20 bility requirements of the program; and

21 “(iii) the Secretary approves the  
22 transfer of all duties and rights under the  
23 contract.

24 “(4) MODIFICATION AND TERMINATION OF  
25 CONTRACTS.—

1           “(A) VOLUNTARY MODIFICATION OR TER-  
2           MINATION.—The Secretary may modify or ter-  
3           minate a contract with a producer if—

4                   “(i) the producer agrees to the modi-  
5                   fication or termination; and

6                   “(ii) the Secretary determines that  
7                   the modification or termination is in the  
8                   public interest.

9           “(B) INVOLUNTARY TERMINATION.—The  
10           Secretary may terminate a contract if the Sec-  
11           retary determines that the producer violated the  
12           contract.

13           “(5) REPAYMENT.—If a contract is terminated,  
14           the Secretary may, consistent with the purposes of  
15           the program—

16                   “(A) allow the producer to retain payments  
17                   already received under the contract; or

18                   “(B) require repayment, in whole or in  
19                   part, of payments received and assess liquidated  
20                   damages.

21           “(e) CONTRACT RENEWAL.—At the end of the initial  
22           5-year contract period, the Secretary may allow the pro-  
23           ducer to renew the contract for 1 additional 5-year period  
24           if the producer—

1           “(1) demonstrates compliance with the terms of  
2 the initial contract;

3           “(2) agrees to adopt and continue to integrate  
4 conservation activities across the entire agricultural  
5 operation, as determined by the Secretary; and

6           “(3) agrees, by the end of the contract period—

7               “(A) to meet the stewardship threshold of  
8 at least two additional priority resource con-  
9 cerns on the agricultural operation; or

10               “(B) to exceed the stewardship threshold  
11 of two existing priority resource concerns that  
12 are specified by the Secretary in the initial con-  
13 tract.

14 **“SEC. 1238G. DUTIES OF THE SECRETARY.**

15           “(a) IN GENERAL.—To achieve the conservation  
16 goals of a contract under the conservation stewardship  
17 program, the Secretary shall—

18               “(1) make the program available to eligible pro-  
19 ducers on a continuous enrollment basis with 1 or  
20 more ranking periods, one of which shall occur in  
21 the first quarter of each fiscal year;

22               “(2) identify not less than 5 priority resource  
23 concerns in a particular watershed or other appro-  
24 priate region or area within a State; and

1           “(3) establish a science-based stewardship  
2           threshold for each priority resource concern identi-  
3           fied under paragraph (2).

4           “(b) ALLOCATION TO STATES.—The Secretary shall  
5           allocate acres to States for enrollment, based—

6           “(1) primarily on each State’s proportion of eli-  
7           gible land to the total acreage of eligible land in all  
8           States; and

9           “(2) also on consideration of—

10           “(A) the extent and magnitude of the con-  
11           servation needs associated with agricultural  
12           production in each State;

13           “(B) the degree to which implementation  
14           of the program in the State is, or will be, effec-  
15           tive in helping producers address those needs;  
16           and

17           “(C) other considerations to achieve equi-  
18           table geographic distribution of funds, as deter-  
19           mined by the Secretary.

20           “(c) ACREAGE ENROLLMENT LIMITATION.—During  
21           the period beginning on October 1, 2013, and ending on  
22           September 30, 2021, the Secretary shall, to the maximum  
23           extent practicable—

24           “(1) enroll in the program an additional  
25           8,695,000 acres for each fiscal year; and

1           “(2) manage the program to achieve a national  
2           average rate of \$18 per acre, which shall include the  
3           costs of all financial assistance, technical assistance,  
4           and any other expenses associated with enrollment  
5           or participation in the program.

6           “(d) CONSERVATION STEWARDSHIP PAYMENTS.—

7           “(1) AVAILABILITY OF PAYMENTS.—The Sec-  
8           retary shall provide annual payments under the pro-  
9           gram to compensate the producer for—

10           “(A) installing and adopting additional  
11           conservation activities; and

12           “(B) improving, maintaining, and man-  
13           aging conservation activities in place at the ag-  
14           ricultural operation of the producer at the time  
15           the contract offer is accepted by the Secretary.

16           “(2) PAYMENT AMOUNT.—The amount of the  
17           conservation stewardship annual payment shall be  
18           determined by the Secretary and based, to the max-  
19           imum extent practicable, on the following factors:

20           “(A) Costs incurred by the producer asso-  
21           ciated with planning, design, materials, installa-  
22           tion, labor, management, maintenance, or train-  
23           ing.

24           “(B) Income forgone by the producer.

25           “(C) Expected conservation benefits.

1           “(D) The extent to which priority resource  
2 concerns will be addressed through the installa-  
3 tion and adoption of conservation activities on  
4 the agricultural operation.

5           “(E) The level of stewardship in place at  
6 the time of application and maintained over the  
7 term of the contract.

8           “(F) The degree to which the conservation  
9 activities will be integrated across the entire ag-  
10 ricultural operation for all applicable priority  
11 resource concerns over the term of the contract.

12           “(G) Such other factors as determined ap-  
13 propriate by the Secretary.

14           “(3) EXCLUSIONS.—A payment to a producer  
15 under this subsection shall not be provided for—

16           “(A) the design, construction, or mainte-  
17 nance of animal waste storage or treatment fa-  
18 cilities or associated waste transport or transfer  
19 devices for animal feeding operations; or

20           “(B) conservation activities for which there  
21 is no cost incurred or income forgone to the  
22 producer.

23           “(4) DELIVERY OF PAYMENTS.—In making  
24 payments under this subsection, the Secretary shall,  
25 to the extent practicable—

1           “(A) prorate conservation performance  
2           over the term of the contract so as to accommo-  
3           date, to the extent practicable, producers earn-  
4           ing equal annual payments in each fiscal year;  
5           and

6           “(B) make payments as soon as prac-  
7           ticable after October 1 of each fiscal year for  
8           activities carried out in the previous fiscal year.

9           “(e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-  
10          CONSERVING CROP ROTATIONS.—

11           “(1) AVAILABILITY OF PAYMENTS.—The Sec-  
12          retary shall provide additional payments to pro-  
13          ducers that, in participating in the program, agree  
14          to adopt or improve resource-conserving crop rota-  
15          tions to achieve beneficial crop rotations as appro-  
16          priate for the eligible land of the producers.

17           “(2) BENEFICIAL CROP ROTATIONS.—The Sec-  
18          retary shall determine whether a resource-conserving  
19          crop rotation is a beneficial crop rotation eligible for  
20          additional payments under paragraph (1) based on  
21          whether the resource-conserving crop rotation is de-  
22          signed to provide natural resource conservation and  
23          production benefits.

24           “(3) ELIGIBILITY.—To be eligible to receive a  
25          payment described in paragraph (1), a producer

1 shall agree to adopt and maintain beneficial re-  
2 source-conserving crop rotations for the term of the  
3 contract.

4 “(4) RESOURCE-CONSERVING CROP ROTA-  
5 TION.—In this subsection, the term ‘resource-con-  
6 serving crop rotation’ means a crop rotation that—

7 “(A) includes at least 1 resource con-  
8 serving crop (as defined by the Secretary);

9 “(B) reduces erosion;

10 “(C) improves soil fertility and tilth;

11 “(D) interrupts pest cycles; and

12 “(E) in applicable areas, reduces depletion  
13 of soil moisture or otherwise reduces the need  
14 for irrigation.

15 “(f) PAYMENT LIMITATIONS.—A person or legal enti-  
16 ty may not receive, directly or indirectly, payments under  
17 the program that, in the aggregate, exceed \$200,000  
18 under all contracts entered into during fiscal years 2013  
19 through 2017, excluding funding arrangements with In-  
20 dian tribes, regardless of the number of contracts entered  
21 into under the program by the person or legal entity.

22 “(g) SPECIALTY CROP AND ORGANIC PRODUCERS.—  
23 The Secretary shall ensure that outreach and technical as-  
24 sistance are available, and program specifications are ap-

1 appropriate to enable specialty crop and organic producers  
2 to participate in the program.

3 “(h) COORDINATION WITH ORGANIC CERTIFI-  
4 CATION.—The Secretary shall establish a transparent  
5 means by which producers may initiate organic certifi-  
6 cation under the Organic Foods Production Act of 1990  
7 (7 U.S.C. 6501 et seq.) while participating in a contract  
8 under the program.

9 “(i) REGULATIONS.—The Secretary shall promulgate  
10 regulations that—

11 “(1) prescribe such other rules as the Secretary  
12 determines to be necessary to ensure a fair and rea-  
13 sonable application of the limitations established  
14 under subsection (f); and

15 “(2) otherwise enable the Secretary to carry out  
16 the program.”.

17 (b) EFFECTIVE DATE.—The amendment made by  
18 this section shall take effect on October 1, 2013.

19 (c) EFFECT ON EXISTING CONTRACTS.—

20 (1) IN GENERAL.—The amendment made by  
21 this section shall not affect the validity or terms of  
22 any contract entered into by the Secretary of Agri-  
23 culture under subchapter B of chapter 2 of subtitle  
24 D of title XII of the Food Security Act of 1985 (16  
25 U.S.C. 3838d et seq.) before October 1, 2013, or

1 any payments required to be made in connection  
2 with the contract.

3 (2) CONSERVATION STEWARDSHIP PROGRAM.—  
4 Funds made available under section 1241(a)(4) of  
5 the Food Security Act of 1985 (16 U.S.C.  
6 3841(a)(4)) (as amended by section 2601(a) of this  
7 title) may be used to administer and make payments  
8 to program participants that enrolled into contracts  
9 during any of fiscal years 2009 through 2013.

## 10 **Subtitle C—Environmental Quality** 11 **Incentives Program**

### 12 **SEC. 2201. PURPOSES.**

13 Section 1240 of the Food Security Act of 1985 (16  
14 U.S.C. 3839aa) is amended—

15 (1) in paragraph (3)—

16 (A) in subparagraph (A), by striking  
17 “and” at the end;

18 (B) by redesignating subparagraph (B) as  
19 subparagraph (C) and, in such subparagraph,  
20 by inserting “and” after the semicolon; and

21 (C) by inserting after subparagraph (A)  
22 the following new subparagraph:

23 “(B) developing and improving wildlife  
24 habitat; and”;

1           (2) in paragraph (4), by striking “; and” and  
2           inserting a period; and

3           (3) by striking paragraph (5).

4 **SEC. 2202. ESTABLISHMENT AND ADMINISTRATION.**

5           Section 1240B of the Food Security Act of 1985 (16  
6 U.S.C. 3839aa-2) is amended—

7           (1) in subsection (a), by striking “2014” and  
8           inserting “2018”;

9           (2) in subsection (b), by striking paragraph (2)  
10          and inserting the following new paragraph:

11          “(2) **TERM.**—A contract under the program  
12          shall have a term that does not exceed 10 years.”;

13          (3) in subsection (d)(4)—

14                 (A) in subparagraph (A), in the matter  
15                 preceding clause (i), by inserting “, veteran  
16                 farmer or rancher (as defined in section  
17                 2501(e) of the Food, Agriculture, Conservation,  
18                 and Trade Act of 1990 (7 U.S.C. 2279(e)),”  
19                 before “or a beginning farmer or rancher”; and

20                 (B) by striking subparagraph (B) and in-  
21                 serting the following new subparagraph:

22                         “(B) **ADVANCE PAYMENTS.**—

23                                 “(i) **IN GENERAL.**—Not more than 50  
24                                 percent of the amount determined under  
25                                 subparagraph (A) may be provided in ad-

1 vance for the purpose of purchasing mate-  
2 rials or contracting.

3 “(ii) RETURN OF FUNDS.—If funds  
4 provided in advance are not expended dur-  
5 ing the 90-day period beginning on the  
6 date of receipt of the funds, the funds shall  
7 be returned within a reasonable time  
8 frame, as determined by the Secretary.”;

9 (4) by striking subsection (f) and inserting the  
10 following new subsection:

11 “(f) ALLOCATION OF FUNDING.—

12 “(1) LIVESTOCK.—For each of fiscal years  
13 2014 through 2018, at least 60 percent of the funds  
14 made available for payments under the program  
15 shall be targeted at practices relating to livestock  
16 production.

17 “(2) WILDLIFE HABITAT.—For each of fiscal  
18 years 2014 through 2018, 5 percent of the funds  
19 made available for payments under the program  
20 shall be targeted at practices benefitting wildlife  
21 habitat.”;

22 (5) in subsection (g)—

23 (A) in the subsection heading, by striking  
24 “FEDERALLY RECOGNIZED NATIVE AMERICAN

1 INDIAN TRIBES AND ALASKA NATIVE COR-  
2 PORATIONS” and inserting “INDIAN TRIBES”;

3 (B) by striking “federally recognized Na-  
4 tive American Indian Tribes and Alaska Native  
5 Corporations (including their affiliated member-  
6 ship organizations)” and inserting “Indian  
7 tribes”; and

8 (C) by striking “or Native Corporation”;  
9 and

10 (6) by adding at the end the following:

11 “(j) WILDLIFE HABITAT INCENTIVE PRACTICE.—

12 The Secretary shall provide payments under the program  
13 for conservation practices that support the restoration, de-  
14 velopment, and improvement of wildlife habitat on eligible  
15 land, including—

16 “(1) upland wildlife habitat;

17 “(2) wetland wildlife habitat;

18 “(3) habitat for threatened and endangered  
19 species;

20 “(4) fish habitat;

21 “(5) habitat on pivot corners and other irreg-  
22 ular areas of a field; and

23 “(6) other types of wildlife habitat, as deter-  
24 mined appropriate by the Secretary.”.

1 **SEC. 2203. EVALUATION OF APPLICATIONS.**

2 Section 1240C(b) of the Food Security Act of 1985  
3 (16 U.S.C. 3839aa-3(b)) is amended—

4 (1) in paragraph (1), by striking “environ-  
5 mental” and inserting “conservation”; and

6 (2) in paragraph (3), by striking “purpose of  
7 the environmental quality incentives program speci-  
8 fied in section 1240(1)” and inserting “purposes of  
9 the program”.

10 **SEC. 2204. DUTIES OF PRODUCERS.**

11 Section 1240D(2) of the Food Security Act of 1985  
12 (16 U.S.C. 3839aa-4(2)) is amended by striking “farm,  
13 ranch, or forest” and inserting “enrolled”.

14 **SEC. 2205. LIMITATION ON PAYMENTS.**

15 Section 1240G of the Food Security Act of 1985 (16  
16 U.S.C. 3839aa-7) is amended to read as follows:

17 **“SEC. 1240G. LIMITATION ON PAYMENTS.**

18 “A person or legal entity may not receive, directly  
19 or indirectly, cost share or incentive payments under this  
20 chapter that, in aggregate, exceed \$450,000 for all con-  
21 tracts entered into under this chapter by the person or  
22 legal entity during the period of fiscal years 2014 through  
23 2018, regardless of the number of contracts entered into  
24 under this chapter by the person or legal entity.”.

1 **SEC. 2206. CONSERVATION INNOVATION GRANTS AND PAY-**  
2 **MENTS.**

3 Section 1240H of the Food Security Act of 1985 (16  
4 U.S.C. 3839aa–8) is amended—

5 (1) in subsection (a)(2)—

6 (A) in subparagraph (C), by striking “;  
7 and” and inserting a semicolon;

8 (B) in subparagraph (D), by striking the  
9 period and inserting a semicolon; and

10 (C) by adding at the end the following new  
11 subparagraphs:

12 “(E) facilitate on-farm conservation re-  
13 search and demonstration activities; and

14 “(F) facilitate pilot testing of new tech-  
15 nologies or innovative conservation practices.”;  
16 and

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

19 “(b) **REPORTING.**—Not later than December 31,  
20 2014, and every two years thereafter, the Secretary shall  
21 submit to the Committee on Agriculture, Nutrition, and  
22 Forestry of the Senate and the Committee on Agriculture  
23 of the House of Representatives a report on the status  
24 of projects funded under this section, including—

25 “(1) funding awarded;

26 “(2) project results; and

1           “(3) incorporation of project findings, such as  
2           new technology and innovative approaches, into the  
3           conservation efforts implemented by the Secretary.”.

4 **SEC. 2207. EFFECTIVE DATE.**

5           (a) IN GENERAL.—The amendments made by this  
6 subtitle shall take effect on October 1, 2013.

7           (b) EFFECT ON EXISTING CONTRACTS.—The amend-  
8 ments made by this subtitle shall not affect the validity  
9 or terms of any contract entered into by the Secretary of  
10 Agriculture under chapter 4 of subtitle D of title XII of  
11 the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.)  
12 before October 1, 2013, or any payments required to be  
13 made in connection with the contract.

14                   **Subtitle D—Agricultural**  
15           **Conservation Easement Program**

16 **SEC. 2301. AGRICULTURAL CONSERVATION EASEMENT**  
17                   **PROGRAM.**

18           (a) ESTABLISHMENT.—Title XII of the Food Secu-  
19 rity Act of 1985 is amended by adding at the end the fol-  
20 lowing new subtitle:

21                   **“Subtitle H—Agricultural**  
22           **Conservation Easement Program**

23 **“SEC. 1265. ESTABLISHMENT AND PURPOSES.**

24           “(a) ESTABLISHMENT.—The Secretary shall estab-  
25 lish an agricultural conservation easement program for the

1 conservation of eligible land and natural resources through  
2 easements or other interests in land.

3 “(b) PURPOSES.—The purposes of the program are  
4 to—

5 “(1) combine the purposes and coordinate the  
6 functions of the wetlands reserve program estab-  
7 lished under section 1237, the grassland reserve pro-  
8 gram established under section 1238N, and the  
9 farmland protection program established under sec-  
10 tion 1238I, as such sections were in effect on Sep-  
11 tember 30, 2013;

12 “(2) restore, protect, and enhance wetlands on  
13 eligible land;

14 “(3) protect the agricultural use and related  
15 conservation values of eligible land by limiting non-  
16 agricultural uses of that land; and

17 “(4) protect grazing uses and related conserva-  
18 tion values by restoring and conserving eligible land.

19 **“SEC. 1265A. DEFINITIONS.**

20 “In this subtitle:

21 “(1) AGRICULTURAL LAND EASEMENT.—The  
22 term ‘agricultural land easement’ means an ease-  
23 ment or other interest in eligible land that—

1           “(A) is conveyed for the purpose of pro-  
2           tecting natural resources and the agricultural  
3           nature of the land; and

4           “(B) permits the landowner the right to  
5           continue agricultural production and related  
6           uses subject to an agricultural land easement  
7           plan, as approved by the Secretary.

8           “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
9           tity’ means—

10           “(A) an agency of State or local govern-  
11           ment or an Indian tribe (including a farmland  
12           protection board or land resource council estab-  
13           lished under State law); or

14           “(B) an organization that is—

15           “(i) organized for, and at all times  
16           since the formation of the organization has  
17           been operated principally for, 1 or more of  
18           the conservation purposes specified in  
19           clause (i), (ii), (iii), or (iv) of section  
20           170(h)(4)(A) of the Internal Revenue Code  
21           of 1986;

22           “(ii) an organization described in sec-  
23           tion 501(c)(3) of that Code that is exempt  
24           from taxation under section 501(a) of that  
25           Code; or

1 “(iii) described in—

2 “(I) paragraph (1) or (2) of sec-  
3 tion 509(a) of that Code; or

4 “(II) section 509(a)(3) of that  
5 Code and is controlled by an organiza-  
6 tion described in section 509(a)(2) of  
7 that Code.

8 “(3) ELIGIBLE LAND.—The term ‘eligible land’  
9 means private or tribal land that is—

10 “(A) in the case of an agricultural land  
11 easement, agricultural land, including land on a  
12 farm or ranch—

13 “(i) that is subject to a pending offer  
14 for purchase of an agricultural land ease-  
15 ment from an eligible entity;

16 “(ii) that—

17 “(I) has prime, unique, or other  
18 productive soil;

19 “(II) contains historical or ar-  
20 chaeological resources; or

21 “(III) the protection of which will  
22 further a State or local policy con-  
23 sistent with the purposes of the pro-  
24 gram; and

25 “(iii) that is—

- 1 “(I) cropland;
- 2 “(II) rangeland;
- 3 “(III) grassland or land that con-
- 4 tains forbs, or shrubland for which
- 5 grazing is the predominate use;
- 6 “(IV) pastureland; or
- 7 “(V) nonindustrial private forest
- 8 land that contributes to the economic
- 9 viability of an offered parcel or serves
- 10 as a buffer to protect such land from
- 11 development;
- 12 “(B) in the case of a wetland easement, a
- 13 wetland or related area, including—
- 14 “(i) farmed or converted wetlands, to-
- 15 gether with adjacent land that is function-
- 16 ally dependent on that land, if the Sec-
- 17 retary determines it—
- 18 “(I) is likely to be successfully
- 19 restored in a cost effective manner;
- 20 and
- 21 “(II) will maximize the wildlife
- 22 benefits and wetland functions and
- 23 values, as determined by the Secretary
- 24 in consultation with the Secretary of
- 25 the Interior at the local level;

1           “(ii) cropland or grassland that was  
2 used for agricultural production prior to  
3 flooding from the natural overflow of—

4           “(I) a closed basin lake and adja-  
5 cent land that is functionally depend-  
6 ent upon it, if the State or other enti-  
7 ty is willing to provide 50 percent  
8 share of the cost of an easement;

9           “(II) a pothole and adjacent land  
10 that is functionally dependent on it;

11           “(iii) farmed wetlands and adjoining  
12 lands that—

13           “(I) are enrolled in the conserva-  
14 tion reserve program;

15           “(II) have the highest wetland  
16 functions and values, as determined  
17 by the Secretary; and

18           “(III) are likely to return to pro-  
19 duction after they leave the conserva-  
20 tion reserve program;

21           “(iv) riparian areas that link wetlands  
22 that are protected by easements or some  
23 other device that achieves the same pur-  
24 pose as an easement; or

1           “(v) other wetlands of an owner that  
2           would not otherwise be eligible, if the Sec-  
3           retary determines that the inclusion of  
4           such wetlands in a wetland easement would  
5           significantly add to the functional value of  
6           the easement; or

7           “(C) in the case of either an agricultural  
8           land easement or wetland easement, other land  
9           that is incidental to land described in subpara-  
10          graph (A) or (B), if the Secretary determines  
11          that it is necessary for the efficient administra-  
12          tion of the easements under this program.

13          “(4) PROGRAM.—The term ‘program’ means  
14          the agricultural conservation easement program es-  
15          tablished by this subtitle.

16          “(5) WETLAND EASEMENT.—The term ‘wetland  
17          easement’ means a reserved interest in eligible land  
18          that—

19                 “(A) is defined and delineated in a deed;  
20                 and

21                 “(B) stipulates—

22                         “(i) the rights, title, and interests in  
23                         land conveyed to the Secretary; and

24                         “(ii) the rights, title, and interests in  
25                         land that are reserved to the landowner.

1 **“SEC. 1265B. AGRICULTURAL LAND EASEMENTS.**

2 “(a) AVAILABILITY OF ASSISTANCE.—The Secretary  
3 shall facilitate and provide funding for—

4 “(1) the purchase by eligible entities of agricul-  
5 tural land easements and other interests in eligible  
6 land; and

7 “(2) technical assistance to provide for the con-  
8 servation of natural resources pursuant to an agri-  
9 cultural land easement plan.

10 “(b) COST-SHARE ASSISTANCE.—

11 “(1) IN GENERAL.—The Secretary shall protect  
12 the agricultural use, including grazing, and related  
13 conservation values of eligible land through cost-  
14 share assistance to eligible entities for purchasing  
15 agricultural land easements.

16 “(2) SCOPE OF ASSISTANCE AVAILABLE.—

17 “(A) FEDERAL SHARE.—An agreement de-  
18 scribed in paragraph (4) shall provide for a  
19 Federal share determined by the Secretary of  
20 an amount not to exceed 50 percent of the fair  
21 market value of the agricultural land easement  
22 or other interest in land, as determined by the  
23 Secretary using—

24 “(i) the Uniform Standards of Profes-  
25 sional Appraisal Practice;

1                   “(ii) an area-wide market analysis or  
2                   survey; or

3                   “(iii) another industry-approved meth-  
4                   od.

5                   “(B) NON-FEDERAL SHARE.—

6                   “(i) IN GENERAL.—Under the agree-  
7                   ment, the eligible entity shall provide a  
8                   share that is at least equivalent to that  
9                   provided by the Secretary.

10                  “(ii) SOURCE OF CONTRIBUTION.—An  
11                  eligible entity may include as part of its  
12                  share a charitable donation or qualified  
13                  conservation contribution (as defined by  
14                  section 170(h) of the Internal Revenue  
15                  Code of 1986) from the private landowner  
16                  if the eligible entity contributes its own  
17                  cash resources in an amount that is at  
18                  least 50 percent of the amount contributed  
19                  by the Secretary.

20                  “(C) EXCEPTION.—In the case of grass-  
21                  land of special environmental significance, as  
22                  determined by the Secretary, the Secretary may  
23                  provide an amount not to exceed 75 percent of  
24                  the fair market value of the agricultural land  
25                  easement.

1           “(3) EVALUATION AND RANKING OF APPLICA-  
2           TIONS.—

3           “(A) CRITERIA.—The Secretary shall es-  
4           tablish evaluation and ranking criteria to maxi-  
5           mize the benefit of Federal investment under  
6           the program.

7           “(B) CONSIDERATIONS.—In establishing  
8           the criteria, the Secretary shall emphasize sup-  
9           port for—

10           “(i) protecting agricultural uses and  
11           related conservation values of the land; and

12           “(ii) maximizing the protection of  
13           areas devoted to agricultural use.

14           “(C) BIDDING DOWN.—If the Secretary  
15           determines that 2 or more applications for cost-  
16           share assistance are comparable in achieving  
17           the purpose of the program, the Secretary shall  
18           not assign a higher priority to any of those ap-  
19           plications solely on the basis of lesser cost to  
20           the program.

21           “(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

22           “(A) IN GENERAL.—The Secretary shall  
23           enter into agreements with eligible entities to  
24           stipulate the terms and conditions under which

1 the eligible entity is permitted to use cost-share  
2 assistance provided under this section.

3 “(B) LENGTH OF AGREEMENTS.—An  
4 agreement shall be for a term that is—

5 “(i) in the case of an eligible entity  
6 certified under the process described in  
7 paragraph (5), a minimum of five years;  
8 and

9 “(ii) for all other eligible entities, at  
10 least three, but not more than five years.

11 “(C) MINIMUM TERMS AND CONDITIONS.—  
12 An eligible entity shall be authorized to use its  
13 own terms and conditions for agricultural land  
14 easements so long as the Secretary determines  
15 such terms and conditions—

16 “(i) are consistent with the purposes  
17 of the program;

18 “(ii) permit effective enforcement of  
19 the conservation purposes of such ease-  
20 ments;

21 “(iii) include a right of enforcement  
22 for the Secretary, that may be used only if  
23 the terms of the easement are not enforced  
24 by the holder of the easement;

1           “(iv) subject the land in which an in-  
2           terest is purchased to an agricultural land  
3           easement plan that—

4                   “(I) describes the activities which  
5                   promote the long-term viability of the  
6                   land to meet the purposes for which  
7                   the easement was acquired;

8                   “(II) requires the management of  
9                   grasslands according to a grasslands  
10                  management plan; and

11                  “(III) includes a conservation  
12                  plan, where appropriate, and requires,  
13                  at the option of the Secretary, the  
14                  conversion of highly erodible cropland  
15                  to less intensive uses; and

16                  “(v) include a limit on the impervious  
17                  surfaces to be allowed that is consistent  
18                  with the agricultural activities to be con-  
19                  ducted.

20                  “(D)   SUBSTITUTION   OF   QUALIFIED  
21                  PROJECTS.—An agreement shall allow, upon  
22                  mutual agreement of the parties, substitution of  
23                  qualified projects that are identified at the time  
24                  of the proposed substitution.

1           “(E) EFFECT OF VIOLATION.—If a viola-  
2           tion occurs of a term or condition of an agree-  
3           ment under this subsection—

4                   “(i) the Secretary may terminate the  
5                   agreement; and

6                   “(ii) the Secretary may require the el-  
7                   igible entity to refund all or part of any  
8                   payments received by the entity under the  
9                   program, with interest on the payments as  
10                  determined appropriate by the Secretary.

11          “(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

12                  “(A) CERTIFICATION PROCESS.—The Sec-  
13                  retary shall establish a process under which the  
14                  Secretary may—

15                       “(i) directly certify eligible entities  
16                       that meet established criteria;

17                       “(ii) enter into long-term agreements  
18                       with certified eligible entities; and

19                       “(iii) accept proposals for cost-share  
20                       assistance for the purchase of agricultural  
21                       land easements throughout the duration of  
22                       such agreements.

23                  “(B) CERTIFICATION CRITERIA.—In order  
24                  to be certified, an eligible entity shall dem-  
25                  onstrate to the Secretary that the entity will

1 maintain, at a minimum, for the duration of the  
2 agreement—

3 “(i) a plan for administering ease-  
4 ments that is consistent with the purpose  
5 of this subtitle;

6 “(ii) the capacity and resources to  
7 monitor and enforce agricultural land ease-  
8 ments; and

9 “(iii) policies and procedures to en-  
10 sure—

11 “(I) the long-term integrity of  
12 agricultural land easements on eligible  
13 land;

14 “(II) timely completion of acqui-  
15 sitions of such easements; and

16 “(III) timely and complete eval-  
17 uation and reporting to the Secretary  
18 on the use of funds provided under  
19 the program.

20 “(C) REVIEW AND REVISION.—

21 “(i) REVIEW.—The Secretary shall  
22 conduct a review of eligible entities cer-  
23 tified under subparagraph (A) every three  
24 years to ensure that such entities are

1 meeting the criteria established under sub-  
2 paragraph (B).

3 “(ii) REVOCATION.—If the Secretary  
4 finds that the certified eligible entity no  
5 longer meets the criteria established under  
6 subparagraph (B), the Secretary may—

7 “(I) allow the certified eligible  
8 entity a specified period of time, at a  
9 minimum 180 days, in which to take  
10 such actions as may be necessary to  
11 meet the criteria; and

12 “(II) revoke the certification of  
13 the eligible entity, if after the speci-  
14 fied period of time, the certified eligi-  
15 ble entity does not meet such criteria.

16 “(c) METHOD OF ENROLLMENT.—The Secretary  
17 shall enroll eligible land under this section through the use  
18 of—

19 “(1) permanent easements; or

20 “(2) easements for the maximum duration al-  
21 lowed under applicable State laws.

22 “(d) TECHNICAL ASSISTANCE.—The Secretary may  
23 provide technical assistance, if requested, to assist in—

24 “(1) compliance with the terms and conditions  
25 of easements; and

1           “(2) implementation of an agricultural land  
2           easement plan.

3   **“SEC. 1265C. WETLAND EASEMENTS.**

4           “(a) AVAILABILITY OF ASSISTANCE.—The Secretary  
5           shall provide assistance to owners of eligible land to re-  
6           store, protect, and enhance wetlands through—

7           “(1) wetland easements and related wetland  
8           easement plans; and

9           “(2) technical assistance.

10          “(b) EASEMENTS.—

11           “(1) METHOD OF ENROLLMENT.—The Sec-  
12           retary shall enroll eligible land under this section  
13           through the use of—

14           “(A) 30-year easements;

15           “(B) permanent easements;

16           “(C) easements for the maximum duration  
17           allowed under applicable State laws; or

18           “(D) as an option for Indian tribes only,  
19           30-year contracts (which shall be considered to  
20           be 30-year easements for the purposes of this  
21           subtitle).

22          “(2) LIMITATIONS.—

23           “(A) INELIGIBLE LAND.—The Secretary  
24           may not acquire easements on—

1           “(i) land established to trees under  
2           the conservation reserve program, except in  
3           cases where the Secretary determines it  
4           would further the purposes of the program;  
5           and

6           “(ii) farmed wetlands or converted  
7           wetlands where the conversion was not  
8           commenced prior to December 23, 1985.

9           “(B) CHANGES IN OWNERSHIP.—No wet-  
10          land easement shall be created on land that has  
11          changed ownership during the preceding 24-  
12          month period unless—

13           “(i) the new ownership was acquired  
14           by will or succession as a result of the  
15           death of the previous owner;

16           “(ii)(I) the ownership change occurred  
17           because of foreclosure on the land; and

18           “(II) immediately before the fore-  
19           closure, the owner of the land exercises a  
20           right of redemption from the mortgage  
21           holder in accordance with State law; or

22           “(iii) the Secretary determines that  
23           the land was acquired under circumstances  
24           that give adequate assurances that such

1 land was not acquired for the purposes of  
2 placing it in the program.

3 “(3) EVALUATION AND RANKING OF OFFERS.—

4 “(A) CRITERIA.—The Secretary shall es-  
5 tablish evaluation and ranking criteria to maxi-  
6 mize the benefit of Federal investment under  
7 the program.

8 “(B) CONSIDERATIONS.—When evaluating  
9 offers from landowners, the Secretary may con-  
10 sider—

11 “(i) the conservation benefits of ob-  
12 taining a wetland easement, including the  
13 potential environmental benefits if the land  
14 was removed from agricultural production;

15 “(ii) the cost-effectiveness of each  
16 wetland easement, so as to maximize the  
17 environmental benefits per dollar expended;

18 “(iii) whether the landowner or an-  
19 other person is offering to contribute fi-  
20 nancially to the cost of the wetland ease-  
21 ment to leverage Federal funds; and

22 “(iv) such other factors as the Sec-  
23 retary determines are necessary to carry  
24 out the purposes of the program.

1           “(C) PRIORITY.—The Secretary shall place  
2           priority on acquiring wetland easements based  
3           on the value of the wetland easement for pro-  
4           tecting and enhancing habitat for migratory  
5           birds and other wildlife.

6           “(4) AGREEMENT.—To be eligible to place eligi-  
7           ble land into the program through a wetland ease-  
8           ment, the owner of such land shall enter into an  
9           agreement with the Secretary to—

10           “(A) grant an easement on such land to  
11           the Secretary;

12           “(B) authorize the implementation of a  
13           wetland easement plan developed for the eligible  
14           land under subsection (f);

15           “(C) create and record an appropriate  
16           deed restriction in accordance with applicable  
17           State law to reflect the easement agreed to;

18           “(D) provide a written statement of con-  
19           sent to such easement signed by those holding  
20           a security interest in the land;

21           “(E) comply with the terms and conditions  
22           of the easement and any related agreements;  
23           and

1           “(F) permanently retire any existing base  
2 history for the land on which the easement has  
3 been obtained.

4           “(5) TERMS AND CONDITIONS OF EASEMENT.—

5           “(A) IN GENERAL.—A wetland easement  
6 shall include terms and conditions that—

7                   “(i) permit—

8                           “(I) repairs, improvements, and  
9 inspections on the land that are nec-  
10 essary to maintain existing public  
11 drainage systems; and

12                           “(II) owners to control public ac-  
13 cess on the easement areas while iden-  
14 tifying access routes to be used for  
15 restoration activities and management  
16 and easement monitoring;

17                   “(ii) prohibit—

18                           “(I) the alteration of wildlife  
19 habitat and other natural features of  
20 such land, unless specifically author-  
21 ized by the Secretary;

22                           “(II) the spraying of such land  
23 with chemicals or the mowing of such  
24 land, except where such spraying or

1 mowing is authorized by the Secretary  
2 or is necessary—

3 “(aa) to comply with Fed-  
4 eral or State noxious weed con-  
5 trol laws;

6 “(bb) to comply with a Fed-  
7 eral or State emergency pest  
8 treatment program; or

9 “(cc) to meet habitat needs  
10 of specific wildlife species;

11 “(III) any activities to be carried  
12 out on the owner’s or successor’s land  
13 that is immediately adjacent to, and  
14 functionally related to, the land that  
15 is subject to the easement if such ac-  
16 tivities will alter, degrade, or other-  
17 wise diminish the functional value of  
18 the eligible land; and

19 “(IV) the adoption of any other  
20 practice that would tend to defeat the  
21 purposes of the program, as deter-  
22 mined by the Secretary;

23 “(iii) provide for the efficient and ef-  
24 fective establishment of wildlife functions  
25 and values; and

1           “(iv) include such additional provi-  
2           sions as the Secretary determines are de-  
3           sirable to carry out the program or facili-  
4           tate the practical administration thereof.

5           “(B) VIOLATION.—On the violation of the  
6           terms or conditions of a wetland easement, the  
7           wetland easement shall remain in force and the  
8           Secretary may require the owner to refund all  
9           or part of any payments received by the owner  
10          under the program, together with interest  
11          thereon as determined appropriate by the Sec-  
12          retary.

13          “(C) COMPATIBLE USES.—Land subject to  
14          a wetland easement may be used for compatible  
15          economic uses, including such activities as  
16          hunting and fishing, managed timber harvest,  
17          or periodic haying or grazing, if such use is spe-  
18          cifically permitted by the wetland easement plan  
19          developed for the land under subsection (f) and  
20          is consistent with the long-term protection and  
21          enhancement of the wetland resources for which  
22          the easement was established.

23          “(D) RESERVATION OF GRAZING  
24          RIGHTS.—The Secretary may include in the  
25          terms and conditions of a wetland easement a

1 provision under which the owner reserves graz-  
2 ing rights if—

3 “(i) the Secretary determines that the  
4 reservation and use of the grazing rights—

5 “(I) is compatible with the land  
6 subject to the easement;

7 “(II) is consistent with the his-  
8 torical natural uses of the land and  
9 the long-term protection and enhance-  
10 ment goals for which the easement  
11 was established; and

12 “(III) complies with the wetland  
13 easement plan developed for the land  
14 under subsection (f); and

15 “(ii) the agreement provides for a  
16 commensurate reduction in the easement  
17 payment to account for the grazing value,  
18 as determined by the Secretary.

19 “(6) COMPENSATION.—

20 “(A) DETERMINATION.—

21 “(i) PERMANENT EASEMENTS.—The  
22 Secretary shall pay as compensation for a  
23 permanent wetland easement acquired  
24 under the program an amount necessary to

1 encourage enrollment in the program,  
2 based on the lowest of—

3 “(I) the fair market value of the  
4 land, as determined by the Secretary,  
5 using the Uniform Standards of Pro-  
6 fessional Appraisal Practice or an  
7 area-wide market analysis or survey;

8 “(II) the amount corresponding  
9 to a geographical cap, as determined  
10 by the Secretary in regulations; or

11 “(III) the offer made by the  
12 landowner.

13 “(ii) 30-YEAR EASEMENTS.—Com-  
14 pensation for a 30-year wetland easement  
15 shall be not less than 50 percent, but not  
16 more than 75 percent, of the compensation  
17 that would be paid for a permanent wet-  
18 land easement.

19 “(B) FORM OF PAYMENT.—Compensation  
20 for a wetland easement shall be provided by the  
21 Secretary in the form of a cash payment, in an  
22 amount determined under subparagraph (A).

23 “(C) PAYMENT SCHEDULE.—

24 “(i) EASEMENTS VALUED AT \$500,000  
25 OR LESS.—For wetland easements valued

1 at \$500,000 or less, the Secretary may  
2 provide easement payments in not more  
3 than 10 annual payments.

4 “(ii) EASEMENTS VALUED AT MORE  
5 THAN \$500,000.—For wetland easements  
6 valued at more than \$500,000, the Sec-  
7 retary may provide easement payments in  
8 at least 5, but not more than 10 annual  
9 payments, except that, if the Secretary de-  
10 termines it would further the purposes of  
11 the program, the Secretary may make a  
12 lump sum payment for such an easement.

13 “(c) EASEMENT RESTORATION.—

14 “(1) IN GENERAL.—The Secretary shall provide  
15 financial assistance to owners of eligible land to  
16 carry out the establishment of conservation meas-  
17 ures and practices and protect wetland functions  
18 and values, including necessary maintenance activi-  
19 ties, as set forth in a wetland easement plan devel-  
20 oped for the eligible land under subsection (f).

21 “(2) PAYMENTS.—The Secretary shall—

22 “(A) in the case of a permanent wetland  
23 easement, pay an amount that is not less than  
24 75 percent, but not more than 100 percent, of

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

3 “(B) in the case of a 30-year wetland ease-  
4 ment, pay an amount that is not less than 50  
5 percent, but not more than 75 percent, of the  
6 eligible costs, as determined by the Secretary.

7 “(d) TECHNICAL ASSISTANCE.—

8 “(1) IN GENERAL.—The Secretary shall assist  
9 owners in complying with the terms and conditions  
10 of wetland easements.

11 “(2) CONTRACTS OR AGREEMENTS.—The Sec-  
12 retary may enter into 1 or more contracts with pri-  
13 vate entities or agreements with a State, non-govern-  
14 mental organization, or Indian tribe to carry out  
15 necessary restoration, enhancement, or maintenance  
16 of a wetland easement if the Secretary determines  
17 that the contract or agreement will advance the pur-  
18 poses of the program.

19 “(e) WETLAND ENHANCEMENT OPTION.—The Sec-  
20 retary may enter into 1 or more agreements with a State  
21 (including a political subdivision or agency of a State),  
22 nongovernmental organization, or Indian tribe to carry out  
23 a special wetland enhancement option that the Secretary  
24 determines would advance the purposes of program.

25 “(f) ADMINISTRATION.—

1           “(1) WETLAND EASEMENT PLAN.—The Sec-  
2           retary shall develop a wetland easement plan for eli-  
3           gible lands subject to a wetland easement, which  
4           shall include practices and activities necessary to re-  
5           store, protect, enhance, and maintain the enrolled  
6           lands.

7           “(2) DELEGATION OF EASEMENT ADMINISTRA-  
8           TION.—The Secretary may delegate—

9                   “(A) any of the easement management,  
10                   monitoring, and enforcement responsibilities of  
11                   the Secretary to other Federal or State agencies  
12                   that have the appropriate authority, expertise,  
13                   and resources necessary to carry out such dele-  
14                   gated responsibilities; and

15                   “(B) any of the easement management re-  
16                   sponsibilities of the Secretary to other conserva-  
17                   tion organizations if the Secretary determines  
18                   the organization has the appropriate expertise  
19                   and resources.

20           “(3) PAYMENTS.—

21                   “(A) TIMING OF PAYMENTS.—The Sec-  
22                   retary shall provide payment for obligations in-  
23                   curred by the Secretary under this section—

24                           “(i) with respect to any easement res-  
25                           toration obligation under subsection (c), as

1           soon as possible after the obligation is in-  
2           curred; and

3                   “(ii) with respect to any annual ease-  
4           ment payment obligation incurred by the  
5           Secretary, as soon as possible after Octo-  
6           ber 1 of each calendar year.

7                   “(B) PAYMENTS TO OTHERS.—If an owner  
8           who is entitled to a payment under this section  
9           dies, becomes incompetent, is otherwise unable  
10          to receive such payment, or is succeeded by an-  
11          other person or entity who renders or completes  
12          the required performance, the Secretary shall  
13          make such payment, in accordance with regula-  
14          tions prescribed by the Secretary and without  
15          regard to any other provision of law, in such  
16          manner as the Secretary determines is fair and  
17          reasonable in light of all of the circumstances.

18 **“SEC. 1265D. ADMINISTRATION.**

19           “(a) INELIGIBLE LAND.—The Secretary may not use  
20          program funds for the purposes of acquiring an easement  
21          on—

22                   “(1) lands owned by an agency of the United  
23          States, other than land held in trust for Indian  
24          tribes;

1           “(2) lands owned in fee title by a State, includ-  
2           ing an agency or a subdivision of a State, or a unit  
3           of local government;

4           “(3) land subject to an easement or deed re-  
5           striction which, as determined by the Secretary, pro-  
6           vides similar protection as would be provided by en-  
7           rollment in the program; or

8           “(4) lands where the purposes of the program  
9           would be undermined due to on-site or off-site condi-  
10          tions, such as risk of hazardous substances, pro-  
11          posed or existing rights of way, infrastructure devel-  
12          opment, or adjacent land uses.

13          “(b) PRIORITY.—In evaluating applications under the  
14          program, the Secretary may give priority to land that is  
15          currently enrolled in the conservation reserve program in  
16          a contract that is set to expire within 1 year and—

17                 “(1) in the case of an agricultural land ease-  
18                 ment, is grassland that would benefit from protec-  
19                 tion under a long-term easement; and

20                 “(2) in the case of a wetland easement, is a  
21                 wetland or related area with the highest functions  
22                 and value and is likely to return to production after  
23                 the land leaves the conservation reserve program.

24          “(c) SUBORDINATION, EXCHANGE, MODIFICATION,  
25          AND TERMINATION.—

1           “(1) IN GENERAL.—The Secretary may subor-  
2           dinate, exchange, modify, or terminate any interest  
3           in land, or portion of such interest, administered by  
4           the Secretary, either directly or on behalf of the  
5           Commodity Credit Corporation under the program if  
6           the Secretary determines that—

7                   “(A) it is in the Federal Government’s in-  
8                   terest to subordinate, exchange, modify, or ter-  
9                   minate the interest in land;

10                   “(B) the subordination, exchange, modi-  
11                   fication, or termination action—

12                           “(i) will address a compelling public  
13                           need for which there is no practicable al-  
14                           ternative; or

15                           “(ii) such action will further the prac-  
16                           tical administration of the program; and

17                   “(C) the subordination, exchange, modi-  
18                   fication, or termination action will result in  
19                   comparable conservation value and equivalent  
20                   or greater economic value to the United States.

21           “(2) CONSULTATION.—The Secretary shall  
22           work with the owner, and eligible entity if applicable,  
23           to address any subordination, exchange, modifica-  
24           tion, or termination of the interest, or portion of  
25           such interest, in land.

1           “(3) NOTICE.—At least 90 days before taking  
2           any termination action described in paragraph (1),  
3           the Secretary shall provide written notice of such ac-  
4           tion to the Committee on Agriculture of the House  
5           of Representatives and the Committee on Agri-  
6           culture, Nutrition, and Forestry of the Senate.

7           “(d) LAND ENROLLED IN CONSERVATION RESERVE  
8           PROGRAM.—The Secretary may terminate or modify a  
9           contract entered into under section 1231(a) if eligible land  
10          that is subject to such contract is transferred into the pro-  
11          gram.

12          “(e) ALLOCATION OF FUNDS FOR AGRICULTURAL  
13          LAND EASEMENTS.—Of the funds made available under  
14          section 1241 to carry out the program for a fiscal year,  
15          the Secretary shall, to the extent practicable, use for agri-  
16          cultural land easements—

17                 “(1) no less than 40 percent in each of fiscal  
18                 years 2014 through 2017; and

19                 “(2) no less than 50 percent in fiscal year  
20                 2018.”.

21          (b) COMPLIANCE WITH CERTAIN REQUIREMENTS.—  
22          Before an eligible entity or owner of eligible land may re-  
23          ceive assistance under subtitle H of title XII of the Food  
24          Security Act of 1985, the eligible entity or person shall

1 agree, during the crop year for which the assistance is pro-  
2 vided and in exchange for the assistance—

3 (1) to comply with applicable conservation re-  
4 quirements under subtitle B of title XII of that Act  
5 (16 U.S.C. 3811 et seq.); and

6 (2) to comply with applicable wetland protection  
7 requirements under subtitle C of title XII of that  
8 Act (16 U.S.C. 3821 et seq.).

9 (c) CROSS REFERENCE; CALCULATION.—Section  
10 1244 of the Food Security Act of 1985 (16 U.S.C. 3844)  
11 is amended—

12 (1) in subsection (c)—

13 (A) in paragraph (1)—

14 (i) by inserting “and” at the end of  
15 subparagraph (A);

16 (ii) by striking “and” at the end of  
17 subparagraph (B); and

18 (iii) by striking subparagraph (C);

19 (B) by redesignating paragraph (2) as  
20 paragraph (3); and

21 (C) by inserting after paragraph (1) the  
22 following new subparagraph:

23 “(2) the agricultural conservation easement  
24 program established under subtitle H; and”; and

25 (2) in subsection (f)—

1 (A) in paragraph (1)—

2 (i) in subparagraph (A), by striking  
3 “programs administered under subchapters  
4 B and C of chapter 1 of subtitle D” and  
5 inserting “conservation reserve program  
6 established under subchapter B of chapter  
7 1 of subtitle D and wetland easements  
8 under section 1265C”; and

9 (ii) in subparagraph (B), by striking  
10 “an easement acquired under subchapter C  
11 of chapter 1 of subtitle D” and inserting  
12 “a wetland easement under section  
13 1265C”; and

14 (B) by adding at the end the following new  
15 paragraph:

16 “(5) CALCULATION.—In calculating the per-  
17 centages described in paragraph (1), the Secretary  
18 shall include any acreage that was included in cal-  
19 culations of percentages made under such para-  
20 graph, as in effect on September 30, 2013, and that  
21 remains enrolled when the calculation is made after  
22 that date under paragraph (1).”.

23 (d) EFFECTIVE DATE.—The amendments made by  
24 this section shall take effect on October 1, 2013.

1     **Subtitle E—Regional Conservation**  
2                     **Partnership Program**

3     **SEC. 2401. REGIONAL CONSERVATION PARTNERSHIP PRO-**  
4                     **GRAM.**

5             (a) IN GENERAL.—Title XII of the Food Security  
6 Act of 1985 is amended by inserting after subtitle H, as  
7 added by section 2301, the following new subtitle:

8     **“Subtitle I—Regional Conservation**  
9                     **Partnership Program**

10    **“SEC. 1271. ESTABLISHMENT AND PURPOSES.**

11            “(a) ESTABLISHMENT.—The Secretary shall estab-  
12 lish a regional conservation partnership program to imple-  
13 ment eligible activities on eligible land through—

14                    “(1) partnership agreements with eligible part-  
15 ners; and

16                    “(2) contracts with producers.

17            “(b) PURPOSES.—The purposes of the program are  
18 as follows:

19                    “(1) To use covered programs to accomplish  
20 purposes and functions similar to those of the fol-  
21 lowing programs, as in effect on September 30,  
22 2013:

23                            “(A) The agricultural water enhancement  
24 program established under section 1240I.

1           “(B) The Chesapeake Bay watershed pro-  
2           gram established under section 1240Q.

3           “(C) The cooperative conservation partner-  
4           ship initiative established under section 1243.

5           “(D) The Great Lakes basin program for  
6           soil erosion and sediment control established  
7           under section 1240P.

8           “(2) To further the conservation, restoration,  
9           and sustainable use of soil, water, wildlife, and re-  
10          lated natural resources on eligible land on a regional  
11          or watershed scale.

12          “(3) To encourage eligible partners to cooperate  
13          with producers in—

14               “(A) meeting or avoiding the need for na-  
15               tional, State, and local natural resource regu-  
16               latory requirements related to production on eli-  
17               gible land; and

18               “(B) implementing projects that will result  
19               in the carrying out of eligible activities that af-  
20               fect multiple agricultural or nonindustrial pri-  
21               vate forest operations on a local, regional,  
22               State, or multi-State basis.

23   **“SEC. 1271A. DEFINITIONS.**

24          “In this subtitle:

1           “(1) COVERED PROGRAM.—The term ‘covered  
2 program’ means the following:

3           “(A) The agricultural conservation ease-  
4 ment program.

5           “(B) The environmental quality incentives  
6 program.

7           “(C) The conservation stewardship pro-  
8 gram.

9           “(2) ELIGIBLE ACTIVITY.—The term ‘eligible  
10 activity’ means any of the following conservation ac-  
11 tivities:

12           “(A) Water quality or quantity conserva-  
13 tion, restoration, or enhancement projects relat-  
14 ing to surface water and groundwater re-  
15 sources, including—

16           “(i) the conversion of irrigated crop-  
17 land to the production of less water-inten-  
18 sive agricultural commodities or dryland  
19 farming; or

20           “(ii) irrigation system improvement  
21 and irrigation efficiency enhancement.

22           “(B) Drought mitigation.

23           “(C) Flood prevention.

24           “(D) Water retention.

25           “(E) Air quality improvement.

1           “(F) Habitat conservation, restoration,  
2           and enhancement.

3           “(G) Erosion control and sediment reduc-  
4           tion.

5           “(H) Other related activities that the Sec-  
6           retary determines will help achieve conservation  
7           benefits.

8           “(3) ELIGIBLE LAND.—The term ‘eligible land’  
9           means land on which agricultural commodities, live-  
10          stock, or forest-related products are produced, in-  
11          cluding—

12           “(A) cropland;

13           “(B) grassland;

14           “(C) rangeland;

15           “(D) pastureland;

16           “(E) nonindustrial private forest land; and

17           “(F) other land incidental to agricultural  
18          production (including wetlands and riparian  
19          buffers) on which significant natural resource  
20          issues could be addressed under the program.

21          “(4) ELIGIBLE PARTNER.—The term ‘eligible  
22          partner’ means any of the following:

23           “(A) An agricultural or silvicultural pro-  
24          ducer association or other group of producers.

25           “(B) A State or unit of local government.

1           “(C) An Indian tribe.

2           “(D) A farmer cooperative.

3           “(E) A water district, irrigation district,  
4 rural water district or association, or other or-  
5 ganization with specific water delivery authority  
6 to producers on agricultural land.

7           “(F) An institution of higher education.

8           “(G) An organization or entity with an es-  
9 tablished history of working cooperatively with  
10 producers on agricultural land, as determined  
11 by the Secretary, to address—

12           “(i) local conservation priorities re-  
13 lated to agricultural production, wildlife  
14 habitat development, or nonindustrial pri-  
15 vate forest land management; or

16           “(ii) critical watershed-scale soil ero-  
17 sion, water quality, sediment reduction, or  
18 other natural resource issues.

19           “(5) PARTNERSHIP AGREEMENT.—The term  
20 ‘partnership agreement’ means an agreement en-  
21 tered into under section 1271B between the Sec-  
22 retary and an eligible partner.

23           “(6) PROGRAM.—The term ‘program’ means  
24 the regional conservation partnership program estab-  
25 lished by this subtitle.

1 **“SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.**

2 “(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—

3 The Secretary may enter into a partnership agreement  
4 with an eligible partner to implement a project that will  
5 assist producers with installing and maintaining an eligi-  
6 ble activity on eligible land.

7 “(b) LENGTH.—A partnership agreement shall be for  
8 a period not to exceed 5 years, except that the Secretary  
9 may extend the agreement one time for up to 12 months  
10 when an extension is necessary to meet the objectives of  
11 the program.

12 “(c) DUTIES OF PARTNERS.—

13 “(1) IN GENERAL.—Under a partnership agree-  
14 ment, the eligible partner shall—

15 “(A) define the scope of a project, includ-  
16 ing—

17 “(i) the eligible activities to be imple-  
18 mented;

19 “(ii) the potential agricultural or non-  
20 industrial private forest land operations af-  
21 fected;

22 “(iii) the local, State, multi-State, or  
23 other geographic area covered; and

24 “(iv) the planning, outreach, imple-  
25 mentation, and assessment to be con-  
26 ducted;

1           “(B) conduct outreach to producers for po-  
2           tential participation in the project;

3           “(C) at the request of a producer, act on  
4           behalf of a producer participating in the project  
5           in applying for assistance under section 1271C;

6           “(D) leverage financial or technical assist-  
7           ance provided by the Secretary with additional  
8           funds to help achieve the project objectives;

9           “(E) conduct an assessment of the  
10          project’s effects; and

11          “(F) at the conclusion of the project, re-  
12          port to the Secretary on its results and funds  
13          leveraged.

14          “(2) CONTRIBUTION.—An eligible partner shall  
15          provide a significant portion of the overall costs of  
16          the scope of the project that is the subject of the  
17          agreement entered into under subsection (a), as de-  
18          termined by the Secretary.

19          “(d) APPLICATIONS.—

20          “(1) COMPETITIVE PROCESS.—The Secretary  
21          shall conduct a competitive process to select applica-  
22          tions for partnership agreements and may assess  
23          and rank applications with similar conservation pur-  
24          poses as a group.

1           “(2) CRITERIA USED.—In carrying out the  
2           process described in paragraph (1), the Secretary  
3           shall make public the criteria used in evaluating ap-  
4           plications.

5           “(3) CONTENT.—An application to the Sec-  
6           retary shall include a description of—

7                   “(A) the scope of the project, as described  
8                   in subsection (c)(1)(A);

9                   “(B) the plan for monitoring, evaluating,  
10                  and reporting on progress made towards achiev-  
11                  ing the project’s objectives;

12                  “(C) the program resources requested for  
13                  the project, including the covered programs to  
14                  be used and estimated funding needed from the  
15                  Secretary;

16                  “(D) eligible partners collaborating to  
17                  achieve project objectives, including their roles,  
18                  responsibilities, capabilities, and financial con-  
19                  tribution; and

20                  “(E) any other elements the Secretary con-  
21                  siders necessary to adequately evaluate and  
22                  competitively select applications for funding  
23                  under the program.

1           “(4) PRIORITY TO CERTAIN APPLICATIONS.—

2           The Secretary may give a higher priority to applica-  
3           tions that—

4                   “(A) assist producers in meeting or avoid-  
5                   ing the need for a natural resource regulatory  
6                   requirement;

7                   “(B) have a high percentage of eligible  
8                   producers in the area to be covered by the  
9                   agreement;

10                   “(C) significantly leverage non-Federal fi-  
11                   nancial and technical resources and coordinate  
12                   with other local, State, or national efforts;

13                   “(D) deliver high percentages of applied  
14                   conservation to address conservation priorities  
15                   or regional, State, or national conservation ini-  
16                   tiatives;

17                   “(E) provide innovation in conservation  
18                   methods and delivery, including outcome-based  
19                   performance measures and methods; or

20                   “(F) meet other factors that are important  
21                   for achieving the purposes of the program, as  
22                   determined by the Secretary.

1 **“SEC. 1271C. ASSISTANCE TO PRODUCERS.**

2 “(a) IN GENERAL.—The Secretary shall enter into  
3 contracts with producers to provide financial and technical  
4 assistance to—

5 “(1) producers participating in a project with  
6 an eligible partner, as described in section 1271B; or

7 “(2) producers that fit within the scope of a  
8 project described in section 1271B or a critical con-  
9 servation area designated under section 1271F, but  
10 who are seeking to implement an eligible activity on  
11 eligible land independent of a partner.

12 “(b) TERMS AND CONDITIONS.—

13 “(1) CONSISTENCY WITH PROGRAM RULES.—  
14 Except as provided in paragraph (2), the Secretary  
15 shall ensure that the terms and conditions of a con-  
16 tract under this section are consistent with the ap-  
17 plicable rules of the covered programs to be used as  
18 part of the project, as described in the application  
19 under section 1271B(d)(3)(C).

20 “(2) ADJUSTMENTS.—Except with respect to  
21 statutory program requirements governing appeals,  
22 payment limitations, and conservation compliance,  
23 the Secretary may adjust the discretionary program  
24 rules of a covered program—

25 “(A) to provide a simplified application  
26 and evaluation process; and

1           “(B) to better reflect unique local cir-  
2           cumstances and purposes if the Secretary deter-  
3           mines such adjustments are necessary to  
4           achieve the purposes of the program.

5           “(c) PAYMENTS.—

6           “(1) IN GENERAL.—In accordance with statu-  
7           tory requirements of the covered programs involved,  
8           the Secretary may make payments to a producer in  
9           an amount determined by the Secretary to be nec-  
10          essary to achieve the purposes of the program.

11          “(2) PAYMENTS TO PRODUCERS IN STATES  
12          WITH WATER QUANTITY CONCERNS.—The Secretary  
13          may provide payments to producers participating in  
14          a project that addresses water quantity concerns for  
15          a period of five years in an amount sufficient to en-  
16          courage conversion from irrigated farming to  
17          dryland farming.

18          “(3) WAIVER AUTHORITY.—To assist in the im-  
19          plementation of the program, the Secretary may  
20          waive the applicability of the limitation in section  
21          1001D(b)(2) of this Act for participating producers  
22          if the Secretary determines that the waiver is nec-  
23          essary to fulfill the objectives of the program.

1 **“SEC. 1271D. FUNDING.**

2 “(a) AVAILABILITY OF FUNDS.—The Secretary shall  
3 use \$100,000,000 of the funds of the Commodity Credit  
4 Corporation for each of fiscal years 2014 through 2018  
5 to carry out the program.

6 “(b) DURATION OF AVAILABILITY.—Funds made  
7 available under subsection (a) shall remain available until  
8 expended.

9 “(c) ADDITIONAL FUNDING AND ACRES.—

10 “(1) IN GENERAL.—In addition to the funds  
11 made available under subsection (a), the Secretary  
12 shall reserve 6 percent of the funds and acres made  
13 available for a covered program for each of fiscal  
14 years 2014 through 2018 in order to ensure addi-  
15 tional resources are available to carry out this pro-  
16 gram.

17 “(2) UNUSED FUNDS AND ACRES.—Any funds  
18 or acres reserved under paragraph (1) for a fiscal  
19 year from a covered program that are not obligated  
20 under this program by April 1 of that fiscal year  
21 shall be returned for use under the covered program.

22 “(d) ALLOCATION OF FUNDING.—Of the funds and  
23 acres made available for the program under subsections  
24 (a) and (c), the Secretary shall allocate—

25 “(1) 25 percent of the funds and acres to  
26 projects based on a State competitive process admin-

1       istered by the State Conservationist, with the advice  
2       of the State technical committee established under  
3       subtitle G;

4             “(2) 50 percent of the funds and acres to  
5       projects based on a national competitive process to  
6       be established by the Secretary; and

7             “(3) 25 percent of the funds and acres to  
8       projects for the critical conservation areas des-  
9       ignated under section 1271F.

10       “(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—  
11       None of the funds made available under the program may  
12       be used to pay for the administrative expenses of eligible  
13       partners.

14       **“SEC. 1271E. ADMINISTRATION.**

15       “(a) DISCLOSURE.—In addition to the criteria used  
16       in evaluating applications as described in section  
17       1271B(d)(2), the Secretary shall make publicly available  
18       information on projects selected through the competitive  
19       process described in section 1271B(d)(1).

20       “(b) REPORTING.—Not later than December 31,  
21       2014, and every two years thereafter, the Secretary shall  
22       submit to the Committee on Agriculture of the House of  
23       Representatives and the Committee on Agriculture, Nutri-  
24       tion, and Forestry of the Senate a report on the status  
25       of projects funded under the program, including—

1           “(1) the number and types of eligible partners  
2           and producers participating in the partnership  
3           agreements selected;

4           “(2) the number of producers receiving assist-  
5           ance; and

6           “(3) total funding committed to projects, in-  
7           cluding from Federal and non-Federal resources.

8   **“SEC. 1271F. CRITICAL CONSERVATION AREAS.**

9           “(a) IN GENERAL.—In administering funds under  
10          section 1271D(d)(3), the Secretary shall select applica-  
11          tions for partnership agreements and producer contracts  
12          within critical conservation areas designated under this  
13          section.

14          “(b) CRITICAL CONSERVATION AREA DESIGNA-  
15          TIONS.—

16                 “(1) PRIORITY.—In designating critical con-  
17                 servation areas under this section, the Secretary  
18                 shall give priority to geographical areas based on the  
19                 degree to which the geographical area—

20                         “(A) includes multiple States with signifi-  
21                         cant agricultural production;

22                         “(B) is covered by an existing regional,  
23                         State, binational, or multistate agreement or  
24                         plan that has established objectives, goals, and

1 work plans and is adopted by a Federal, State,  
2 or regional authority;

3 “(C) would benefit from water quality im-  
4 provement, including through reducing erosion,  
5 promoting sediment control, and addressing nu-  
6 trient management activities affecting large  
7 bodies of water of regional, national, or inter-  
8 national significance;

9 “(D) would benefit from water quantity  
10 improvement, including improvement relating  
11 to—

12 “(i) groundwater, surface water, aquifer,  
13 or other water sources; or

14 “(ii) a need to promote water reten-  
15 tion and flood prevention; or

16 “(E) contains producers that need assist-  
17 ance in meeting or avoiding the need for a nat-  
18 ural resource regulatory requirement that could  
19 have a negative economic impact on agricultural  
20 operations within the area.

21 “(2) LIMITATION.—The Secretary may not des-  
22 ignate more than 8 geographical areas as critical  
23 conservation areas under this section.

24 “(c) ADMINISTRATION.—

1           “(1) IN GENERAL.—Except as provided in para-  
2           graph (2), the Secretary shall administer any part-  
3           nership agreement or producer contract under this  
4           section in a manner that is consistent with the terms  
5           of the program.

6           “(2) RELATIONSHIP TO EXISTING ACTIVITY.—  
7           The Secretary shall, to the maximum extent prac-  
8           ticable, ensure that eligible activities carried out in  
9           critical conservation areas designated under this sec-  
10          tion complement and are consistent with other Fed-  
11          eral and State programs and water quality and  
12          quantity strategies.

13          “(3) ADDITIONAL AUTHORITY.—For a critical  
14          conservation area described in subsection (b)(1)(D),  
15          the Secretary may use authorities under the Water-  
16          shed Protection and Flood Prevention Act (16  
17          U.S.C. 1001 et seq.), other than section 14 of such  
18          Act (16 U.S.C. 1012), to carry out projects for the  
19          purposes of this section.”.

20          (b) EFFECTIVE DATE.—The amendment made by  
21          this section shall take effect on October 1, 2013.

1       **Subtitle F—Other Conservation**  
2                                   **Programs**

3       **SEC. 2501. CONSERVATION OF PRIVATE GRAZING LAND.**

4           Section 1240M(e) of the Food Security Act of 1985  
5 (16 U.S.C. 3839bb(e)) is amended by striking “2012” and  
6 inserting “2018”.

7       **SEC. 2502. GRASSROOTS SOURCE WATER PROTECTION**  
8                                   **PROGRAM.**

9           Section 1240O(b) of the Food Security Act of 1985  
10 (16 U.S.C. 3839bb–2) is amended to read as follows:

11           “(b) FUNDING.—

12                   “(1) AUTHORIZATION OF APPROPRIATIONS.—

13           There is authorized to be appropriated to carry out  
14 this section \$20,000,000 for each of fiscal years  
15 2008 through 2018.

16                   “(2) AVAILABILITY OF FUNDS.—In addition to  
17 funds made available under paragraph (1), of the  
18 funds of the Commodity Credit Corporation, the  
19 Secretary shall use \$5,000,000, to remain available  
20 until expended.”.

21       **SEC. 2503. VOLUNTARY PUBLIC ACCESS AND HABITAT IN-**  
22                                   **CENTIVE PROGRAM.**

23           (a) FUNDING.—Section 1240R(f)(1) of the Food Se-  
24 curity Act of 1985 (16 U.S.C. 3839bb–5(f)(1)) is amended  
25 by inserting before the period at the end the following:

1 “and \$30,000,000 for the period of fiscal years 2014  
2 through 2018”.

3 (b) REPORT ON PROGRAM EFFECTIVENESS.—Not  
4 later than two years after the date of the enactment of  
5 this Act, the Secretary of Agriculture shall submit to the  
6 Committee on Agriculture of the House of Representatives  
7 and the Committee on Agriculture, Nutrition, and For-  
8 estry of the Senate a report evaluating the effectiveness  
9 of the voluntary public access program established by sec-  
10 tion 1240R of the Food Security Act of 1985 (16 U.S.C.  
11 3839bb–5), including—

12 (1) identifying cooperating agencies;

13 (2) identifying the number of land holdings and  
14 total acres enrolled by each State and tribal govern-  
15 ment;

16 (3) evaluating the extent of improved access on  
17 eligible lands, improved wildlife habitat, and related  
18 economic benefits; and

19 (4) any other relevant information and data re-  
20 lating to the program that would be helpful to such  
21 Committees.

1 **SEC. 2504. AGRICULTURE CONSERVATION EXPERIENCED**  
2 **SERVICES PROGRAM.**

3 (a) FUNDING.—Subsection (c) of section 1252 of the  
4 Food Security Act of 1985 (16 U.S.C. 3851) is amended  
5 to read as follows:

6 “(c) FUNDING.—

7 “(1) IN GENERAL.—The Secretary may carry  
8 out the ACES program using funds made available  
9 to carry out each program under this title.

10 “(2) EXCLUSION.—Funds made available to  
11 carry out the conservation reserve program may not  
12 be used to carry out the ACES program.”.

13 (b) EFFECTIVE DATE.—The amendment made by  
14 this section shall take effect on October 1, 2013.

15 **SEC. 2505. SMALL WATERSHED REHABILITATION PRO-**  
16 **GRAM.**

17 (a) AVAILABILITY OF FUNDS.—Section 14(h)(1) of  
18 the Watershed Protection and Flood Prevention Act (16  
19 U.S.C. 1012(h)(1)) is amended—

20 (1) in subparagraph (E), by striking “; and”  
21 and inserting a semicolon;

22 (2) in subparagraph (F), by striking the period  
23 and inserting a semicolon;

24 (3) in subparagraph (G), by striking the period  
25 and inserting “; and”; and

1 (4) by adding at the end the following new sub-  
2 paragraph:

3 “(H) \$250,000,000 for fiscal year 2014, to  
4 remain available until expended.”.

5 (b) **AUTHORIZATION OF APPROPRIATIONS.**—Section  
6 14(h)(2)(E) of the Watershed Protection and Flood Pre-  
7 vention Act (16 U.S.C. 1012(h)(2)(E)) is amended by  
8 striking “2012” and inserting “2018”.

9 **SEC. 2506. AGRICULTURAL MANAGEMENT ASSISTANCE**  
10 **PROGRAM.**

11 (a) **USES.**—Section 524(b)(2) of the Federal Crop  
12 Insurance Act (7 U.S.C. 1524(b)(2)) is amended—

13 (1) by striking subparagraph (B) and redesign-  
14 ating subparagraphs (C) through (F) as subpara-  
15 graphs (B) through (E), respectively; and

16 (2) in subparagraph (B) (as so redesignated)—

17 (A) in the matter preceding clause (i), by  
18 striking “or resource conservation practices”;

19 and

20 (B) by striking clause (i) and redesign-  
21 ating clauses (ii) through (iv) as clauses (i)  
22 through (iii), respectively.

23 (b) **COMMODITY CREDIT CORPORATION.**—

1           (1) FUNDING.—Section 524(b)(4)(B) of the  
2 Federal Crop Insurance Act (7 U.S.C.  
3 1524(b)(4)(B)) is amended to read as follows:

4           “(B) FUNDING.—The Commodity Credit  
5 Corporation shall make available to carry out  
6 this subsection not less than \$10,000,000 for  
7 each fiscal year.”.

8           (2) CERTAIN USES.—Section 524(b)(4)(C) of  
9 the Federal Crop Insurance Act (7 U.S.C.  
10 1524(b)(4)(C)) is amended—

11           (A) in clause (i)—

12           (i) by striking “50” and inserting  
13 “30”; and

14           (ii) by striking “(A), (B), and (C)”  
15 and inserting “(A) and (B)”; and

16           (B) in clause (iii), by striking “40” and in-  
17 serting “60”.

## 18           **Subtitle G—Funding and** 19           **Administration**

### 20           **SEC. 2601. FUNDING.**

21           (a) IN GENERAL.—Subsection (a) of section 1241 of  
22 the Food Security Act of 1985 (16 U.S.C. 3841) is  
23 amended to read as follows:

24           “(a) ANNUAL FUNDING.—For each of fiscal years  
25 2014 through 2018, the Secretary shall use the funds, fa-

1 cilities, and authorities of the Commodity Credit Corpora-  
2 tion to carry out the following programs under this title  
3 (including the provision of technical assistance):

4           “(1) The conservation reserve program under  
5 subchapter B of chapter 1 of subtitle D, including,  
6 to the maximum extent practicable, \$25,000,000 for  
7 the period of fiscal years 2014 through 2018 to  
8 carry out section 1235(f) to facilitate the transfer of  
9 land subject to contracts from retired or retiring  
10 owners and operators to beginning farmers or ranch-  
11 ers and socially disadvantaged farmers or ranchers.

12           “(2) The agriculture conservation easement  
13 program under subtitle H, using, to the maximum  
14 extent practicable—

15                   “(A) \$425,000,000 in fiscal year 2014;

16                   “(B) \$450,000,000 in fiscal year 2015;

17                   “(C) \$475,000,000 in fiscal year 2016;

18                   “(D) \$500,000,000 in fiscal year 2017;

19           and

20                   “(E) \$200,000,000 in fiscal year 2018.

21           “(3) The conservation security program under  
22 subchapter A of chapter 2 of subtitle D, using such  
23 sums as are necessary to administer contracts en-  
24 tered into before September 30, 2008.

1           “(4) The conservation stewardship program  
2           under subchapter B of chapter 2 of subtitle D.

3           “(5) The environmental quality incentives pro-  
4           gram under chapter 4 of subtitle D, using, to the  
5           maximum extent practicable, \$1,750,000,000 for  
6           each of fiscal years 2014 through 2018.”.

7           (b) REGIONAL EQUITY; GUARANTEED AVAILABILITY  
8           OF FUNDS.—Section 1241 of the Food Security Act of  
9           1985 (16 U.S.C. 3841) is amended—

10           (1) by striking subsection (e);

11           (2) by redesignating subsections (b) through (d)  
12           as subsections (c) through (e); respectively; and

13           (3) by inserting after subsection (a) the fol-  
14           lowing new subsection:

15           “(b) AVAILABILITY OF FUNDS.—Amounts made  
16           available by subsection (a) shall be used by the Secretary  
17           to carry out the programs specified in such subsection for  
18           fiscal years 2014 through 2018 and shall remain available  
19           until expended. Amounts made available for the programs  
20           specified in such subsection during a fiscal year through  
21           modifications, cancellations, terminations, and other re-  
22           lated administrative actions and not obligated in that fis-  
23           cal year shall remain available for obligation during subse-  
24           quent fiscal years, but shall reduce the amount of addi-  
25           tional funds made available in the subsequent fiscal year

1 by an amount equal to the amount remaining unobli-  
2 gated.”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall take effect on October 1, 2013.

5 **SEC. 2602. TECHNICAL ASSISTANCE.**

6 (a) IN GENERAL.—Subsection (c) of section 1241 of  
7 the Food Security Act of 1985 (16 U.S.C. 3841), as reded-  
8 igned by section 2601(b)(1) of this Act, is amended to  
9 read as follows:

10 “(c) TECHNICAL ASSISTANCE.—

11 “(1) AVAILABILITY OF FUNDS.—Commodity  
12 Credit Corporation funds made available for a fiscal  
13 year for each of the programs specified in subsection

14 (a)—

15 “(A) shall be available for the provision of  
16 technical assistance for the programs for which  
17 funds are made available as necessary to imple-  
18 ment the programs effectively; and

19 “(B) shall not be available for the provi-  
20 sion of technical assistance for conservation  
21 programs specified in subsection (a) other than  
22 the program for which the funds were made  
23 available.

24 “(2) REPORT.—Not later than December 31,  
25 2013, the Secretary shall submit (and update as

1 necessary in subsequent years) to the Committee on  
2 Agriculture of the House of Representatives and the  
3 Committee on Agriculture, Nutrition, and Forestry  
4 of the Senate a report—

5 “(A) detailing the amount of technical as-  
6 sistance funds requested and apportioned in  
7 each program specified in subsection (a) during  
8 the preceding fiscal year; and

9 “(B) any other data relating to this sub-  
10 section that would be helpful to such Commit-  
11 tees.”.

12 (b) EFFECTIVE DATE.—The amendment made by  
13 this section shall take effect on October 1, 2013.

14 **SEC. 2603. RESERVATION OF FUNDS TO PROVIDE ASSIST-**  
15 **ANCE TO CERTAIN FARMERS OR RANCHERS**  
16 **FOR CONSERVATION ACCESS.**

17 (a) IN GENERAL.—Subsection (g) of section 1241 of  
18 the Food Security Act of 1985 (16 U.S.C. 3841) is  
19 amended—

20 (1) in paragraph (1) by striking “2012” and in-  
21 serting “2018”; and

22 (2) by adding at the end the following new  
23 paragraph:

24 “(4) PREFERENCE.—In providing assistance  
25 under paragraph (1), the Secretary shall give pref-



1 (b) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on October 1, 2013.

3 **SEC. 2605. REVIEW OF CONSERVATION PRACTICE STAND-**  
4 **ARDS.**

5 Section 1242(h)(1)(A) of the Food Security Act of  
6 1985 (16 U.S.C. 3842(h)(1)(A)) is amended by striking  
7 “the Food, Conservation, and Energy Act of 2008” and  
8 inserting “the Federal Agriculture Reform and Risk Man-  
9 agement Act of 2013”.

10 **SEC. 2606. ADMINISTRATIVE REQUIREMENTS APPLICABLE**  
11 **TO ALL CONSERVATION PROGRAMS.**

12 (a) IN GENERAL.—Section 1244 of the Food Security  
13 Act of 1985 (16 U.S.C. 3844) is amended—

14 (1) in subsection (a)(2), by adding at the end  
15 the following new subparagraph:

16 “(E) Veteran farmers or ranchers (as de-  
17 fined in section 2501(e) of the Food, Agri-  
18 culture, Conservation, and Trade Act of 1990  
19 (7 U.S.C. 2279(e)).”;

20 (2) in subsection (d), by inserting “, H, and I”  
21 before the period at the end;

22 (3) in subsection (f)—

23 (A) in paragraph (1)(B), by striking  
24 “country” and inserting “county”; and

1 (B) in paragraph (3), by striking “sub-  
2 section (c)(2)(B) or (f)(4)” and inserting “sub-  
3 section (c)(2)(A)(ii) or (f)(2)”;

4 (4) by adding at the end the following new sub-  
5 sections:

6 “(j) IMPROVED ADMINISTRATIVE EFFICIENCY AND  
7 EFFECTIVENESS.—In administering a conservation pro-  
8 gram under this title, the Secretary shall, to the maximum  
9 extent practicable—

10 “(1) seek to reduce administrative burdens and  
11 costs to producers by streamlining conservation  
12 planning and program resources; and

13 “(2) take advantage of new technologies to en-  
14 hance efficiency and effectiveness.

15 “(k) RELATION TO OTHER PAYMENTS.—Any pay-  
16 ment received by an owner or operator under this title,  
17 including an easement payment or rental payment, shall  
18 be in addition to, and not affect, the total amount of pay-  
19 ments that the owner or operator is otherwise eligible to  
20 receive under any of the following:

21 “(1) This Act.

22 “(2) The Agricultural Act of 1949 (7 U.S.C.  
23 1421 et seq.).

24 “(3) The Federal Agriculture Reform and Risk  
25 Management Act of 2013.

1           “(4) Any law that succeeds a law specified in  
2           paragraph (1), (2), or (3).”.

3           (b) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall take effect on October 1, 2013.

5 **SEC. 2607. STANDARDS FOR STATE TECHNICAL COMMIT-**  
6 **TEES.**

7           Section 1261(b) of the Food Security Act of 1985  
8 (16 U.S.C. 3861(b)) is amended by striking “Not later  
9 than 180 days after the date of enactment of the Food,  
10 Conservation, and Energy Act of 2008, the Secretary shall  
11 develop” and inserting “The Secretary shall review and  
12 update as necessary”.

13 **SEC. 2608. RULEMAKING AUTHORITY.**

14           Subtitle E of title XII of the Food Security Act of  
15 1985 (16 U.S.C. 3841 et seq.) is amended by adding at  
16 the end the following new section:

17 **“SEC. 1246. REGULATIONS.**

18           “(a) **IN GENERAL.**—The Secretary shall promulgate  
19 such regulations as are necessary to implement programs  
20 under this title, including such regulations as the Sec-  
21 retary determines to be necessary to ensure a fair and rea-  
22 sonable application of the limitations established under  
23 section 1244(f).

1       “(b) RULEMAKING PROCEDURE.—The promulgation  
2 of regulations and administration of programs under this  
3 title—

4               “(1) shall be carried out without regard to—

5                       “(A) the Statement of Policy of the Sec-  
6 retary effective July 24, 1971 (36 Fed. Reg.  
7 13804), relating to notices of proposed rule-  
8 making and public participation in rulemaking;  
9 and

10                      “(B) chapter 35 of title 44, United States  
11 Code (commonly known as the Paperwork Re-  
12 duction Act); and

13               “(2) shall be made as an interim rule effective  
14 on publication with an opportunity for notice and  
15 comment.

16       “(c) CONGRESSIONAL REVIEW OF AGENCY RULE-  
17 MAKING.—In promulgating regulations under this section,  
18 the Secretary shall use the authority provided under sec-  
19 tion 808 of title 5, United States Code.”.

1 **Subtitle H—Repeal of Superseded**  
2 **Program Authorities and Tran-**  
3 **sitional Provisions; Technical**  
4 **Amendments**

5 **SEC. 2701. COMPREHENSIVE CONSERVATION ENHANCE-**  
6 **MENT PROGRAM.**

7 (a) REPEAL.—Section 1230 of the Food Security Act  
8 of 1985 (16 U.S.C. 3830) is repealed.

9 (b) CONFORMING AMENDMENT.—The heading of  
10 chapter 1 of subtitle D of title XII of the Food Security  
11 Act of 1985 (16 U.S.C. 3830 et seq.) is amended to read  
12 as follows: “**CONSERVATION RESERVE**”.

13 **SEC. 2702. EMERGENCY FORESTRY CONSERVATION RE-**  
14 **SERVE PROGRAM.**

15 (a) REPEAL.—Section 1231A of the Food Security  
16 Act of 1985 (16 U.S.C. 3831a) is repealed.

17 (b) TRANSITIONAL PROVISIONS.—

18 (1) EFFECT ON EXISTING CONTRACTS.—The  
19 amendment made by this section shall not affect the  
20 validity or terms of any contract entered into by the  
21 Secretary of Agriculture under section 1231A of the  
22 Food Security Act of 1985 (16 U.S.C. 3831a) before  
23 October 1, 2013, or any payments required to be  
24 made in connection with the contract.

1           (2) FUNDING.—The Secretary may use funds  
2           made available to carry out the conservation reserve  
3           program under subchapter B of chapter 1 of subtitle  
4           D of title XII of the Food Security Act of 1985 (16  
5           U.S.C. 3831 et seq.) to continue to carry out con-  
6           tracts referred to in paragraph (1) using the provi-  
7           sions of law and regulation applicable to such con-  
8           tracts as they existed on September 30, 2013.

9           (c) EFFECTIVE DATE.—The amendment made by  
10          this section shall take effect on October 1, 2013.

11          **SEC. 2703. WETLANDS RESERVE PROGRAM.**

12          (a) REPEAL.—Subchapter C of chapter 1 of subtitle  
13          D of title XII of the Food Security Act of 1985 (16 U.S.C.  
14          3837 et seq.) is repealed.

15          (b) TRANSITIONAL PROVISIONS.—

16                 (1) EFFECT ON EXISTING CONTRACTS.—The  
17                 amendment made by this section shall not affect the  
18                 validity or terms of any contract entered into by the  
19                 Secretary of Agriculture under subchapter C of  
20                 chapter 1 of subtitle D of title XII of the Food Se-  
21                 curity Act of 1985 (16 U.S.C. 3837 et seq.) before  
22                 October 1, 2013, or any payments required to be  
23                 made in connection with the contract.

24                 (2) FUNDING.—The Secretary may use funds  
25                 made available to carry out the agricultural con-

1        servation easement program under subtitle H of title  
2        XII of the Food Security Act of 1985, as added by  
3        section 2301 of this Act, to continue to carry out  
4        contracts referred to in paragraph (1) using the pro-  
5        visions of law and regulation applicable to such con-  
6        tracts as they existed on September 30, 2013.

7        (c) EFFECTIVE DATE.—The amendment made by  
8        this section shall take effect on October 1, 2013.

9        **SEC. 2704. FARMLAND PROTECTION PROGRAM AND FARM**  
10        **VIABILITY PROGRAM.**

11        (a) REPEAL.—Subchapter C of chapter 2 of subtitle  
12        D of title XII of the Food Security Act of 1985 (16 U.S.C.  
13        3838h et seq.) is repealed.

14        (b) CONFORMING AMENDMENT.—The heading of  
15        chapter 2 of subtitle D of title XII of the Food Security  
16        Act of 1985 (16 U.S.C. 3838 et seq.) is amended by strik-  
17        ing “**AND FARMLAND PROTECTION**”.

18        (c) TRANSITIONAL PROVISIONS.—

19                (1) EFFECT ON EXISTING CONTRACTS.—The  
20        amendments made by this section shall not affect  
21        the validity or terms of any contract entered into by  
22        the Secretary of Agriculture under subchapter C of  
23        chapter 2 of subtitle D of title XII of the Food Se-  
24        curity Act of 1985 (16 U.S.C. 3838h et seq.) before

1       October 1, 2013, or any payments required to be  
2       made in connection with the contract.

3               (2) FUNDING.—The Secretary may use funds  
4       made available to carry out the agricultural con-  
5       servation easement program under subtitle H of title  
6       XII of the Food Security Act of 1985, as added by  
7       section 2301 of this Act, to continue to carry out  
8       contracts referred to in paragraph (1) using the pro-  
9       visions of law and regulation applicable to such con-  
10      tracts as they existed on September 30, 2013.

11      (d) EFFECTIVE DATE.—The amendments made by  
12      this section shall take effect on October 1, 2013.

13      **SEC. 2705. GRASSLAND RESERVE PROGRAM.**

14      (a) REPEAL.—Subchapter D of chapter 2 of subtitle  
15      D of title XII of the Food Security Act of 1985 (16 U.S.C.  
16      3838n et seq.) is repealed.

17      (b) TRANSITIONAL PROVISIONS.—

18               (1) EFFECT ON EXISTING CONTRACTS.—The  
19      amendment made by this section shall not affect the  
20      validity or terms of any contract entered into by the  
21      Secretary of Agriculture under subchapter D of  
22      chapter 2 of subtitle D of title XII of the Food Se-  
23      curity Act of 1985 (16 U.S.C. 3838n et seq.) before  
24      October 1, 2013, or any payments required to be  
25      made in connection with the contract.

1           (2) FUNDING.—The Secretary may use funds  
2           made available to carry out the agricultural con-  
3           servation easement program under subtitle H of title  
4           XII of the Food Security Act of 1985, as added by  
5           section 2301 of this Act, to continue to carry out  
6           contracts referred to in paragraph (1) using the pro-  
7           visions of law and regulation applicable to such con-  
8           tracts as they existed on September 30, 2013.

9           (c) EFFECTIVE DATE.—The amendment made by  
10          this section shall take effect on October 1, 2013.

11 **SEC. 2706. AGRICULTURAL WATER ENHANCEMENT PRO-**  
12 **GRAM.**

13          (a) REPEAL.—Section 1240I of the Food Security  
14          Act of 1985 (16 U.S.C. 3839aa–9) is repealed.

15          (b) TRANSITIONAL PROVISIONS.—

16               (1) EFFECT ON EXISTING CONTRACTS.—The  
17               amendment made by this section shall not affect the  
18               validity or terms of any contract entered into by the  
19               Secretary of Agriculture under section 1240I of the  
20               Food Security Act of 1985 (16 U.S.C. 3839aa–9)  
21               before October 1, 2013, or any payments required to  
22               be made in connection with the contract.

23               (2) FUNDING.—The Secretary may use funds  
24               made available to carry out the regional conservation  
25               partnership program under subtitle I of title XII of

1 the Food Security Act of 1985, as added by section  
2 2401 of this Act, to continue to carry out contracts  
3 referred to in paragraph (1) using the provisions of  
4 law and regulation applicable to such contracts as  
5 they existed on September 30, 2013.

6 (c) EFFECTIVE DATE.—The amendment made by  
7 this section shall take effect on October 1, 2013.

8 **SEC. 2707. WILDLIFE HABITAT INCENTIVE PROGRAM.**

9 (a) REPEAL.—Section 1240N of the Food Security  
10 Act of 1985 (16 U.S.C. 3839bb–1) is repealed.

11 (b) TRANSITIONAL PROVISIONS.—

12 (1) EFFECT ON EXISTING CONTRACTS.—The  
13 amendment made by this section shall not affect the  
14 validity or terms of any contract entered into by the  
15 Secretary of Agriculture under section 1240N of the  
16 Food Security Act of 1985 (16 U.S.C. 3839bb–1)  
17 before October 1, 2013, or any payments required to  
18 be made in connection with the contract.

19 (2) FUNDING.—The Secretary may use funds  
20 made available to carry out the environmental qual-  
21 ity incentives program under chapter 4 of subtitle D  
22 of title XII of the Food Security Act of 1985 (16  
23 U.S.C. 3839aa et seq.) to continue to carry out con-  
24 tracts referred to in paragraph (1) using the provi-

1 sions of law and regulation applicable to such con-  
2 tracts as they existed on September 30, 2013.

3 (c) EFFECTIVE DATE.—The amendment made by  
4 this section shall take effect on October 1, 2013.

5 **SEC. 2708. GREAT LAKES BASIN PROGRAM.**

6 (a) REPEAL.—Section 1240P of the Food Security  
7 Act of 1985 (16 U.S.C. 3839bb–3) is repealed.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 this section shall take effect on October 1, 2013.

10 **SEC. 2709. CHESAPEAKE BAY WATERSHED PROGRAM.**

11 (a) REPEAL.—Section 1240Q of the Food Security  
12 Act of 1985 (16 U.S.C. 3839bb–4) is repealed.

13 (b) TRANSITIONAL PROVISIONS.—

14 (1) EFFECT ON EXISTING CONTRACTS.—The  
15 amendment made by this section shall not affect the  
16 validity or terms of any contract entered into by the  
17 Secretary of Agriculture under section 1240Q of the  
18 Food Security Act of 1985 (16 U.S.C. 3839bb–4)  
19 before October 1, 2013, or any payments required to  
20 be made in connection with the contract.

21 (2) FUNDING.—The Secretary may use funds  
22 made available to carry out the regional conservation  
23 partnership program under subtitle I of title XII of  
24 the Food Security Act of 1985, as added by section  
25 2401 of this Act, to continue to carry out contracts

1 referred to in paragraph (1) using the provisions of  
2 law and regulation applicable to such contracts as  
3 they existed on September 30, 2013.

4 (c) EFFECTIVE DATE.—The amendment made by  
5 this section shall take effect on October 1, 2013.

6 **SEC. 2710. COOPERATIVE CONSERVATION PARTNERSHIP**  
7 **INITIATIVE.**

8 (a) REPEAL.—Section 1243 of the Food Security Act  
9 of 1985 (16 U.S.C. 3843) is repealed.

10 (b) TRANSITIONAL PROVISIONS.—

11 (1) EFFECT ON EXISTING CONTRACTS.—The  
12 amendment made by this section shall not affect the  
13 validity or terms of any contract entered into by the  
14 Secretary of Agriculture under section 1243 of the  
15 Food Security Act of 1985 (16 U.S.C. 3843) before  
16 October 1, 2013, or any payments required to be  
17 made in connection with the contract.

18 (2) FUNDING.—The Secretary may use funds  
19 made available to carry out the regional conservation  
20 partnership program under subtitle I of title XII of  
21 the Food Security Act of 1985, as added by section  
22 2401 of this Act, to continue to carry out contracts  
23 referred to in paragraph (1) using the provisions of  
24 law and regulation applicable to such contracts as  
25 they existed on September 30, 2013.

1 (c) EFFECTIVE DATE.—The amendment made by  
2 this section shall take effect on October 1, 2013.

3 **SEC. 2711. ENVIRONMENTAL EASEMENT PROGRAM.**

4 Chapter 3 of subtitle D of title XII of the Food Secu-  
5 rity Act of 1985 (16 U.S.C. 3839 et seq.) is repealed.

6 **SEC. 2712. TECHNICAL AMENDMENTS.**

7 (a) DEFINITIONS.—Section 1201(a) of the Food Se-  
8 curity Act of 1985 (16 U.S.C. 3801(a)) is amended in the  
9 matter preceding paragraph (1) by striking “E” and in-  
10 serting “I”.

11 (b) PROGRAM INELIGIBILITY.—Section 1211(a) of  
12 the Food Security Act of 1985 (16 U.S.C. 3811(a)) is  
13 amended by striking “predominate” each place it appears  
14 and inserting “predominant”.

15 (c) SPECIALTY CROP PRODUCERS.—Section 1242(i)  
16 of the Food Security Act of 1985 (16 U.S.C. 3842(i)) is  
17 amended in the header by striking “SPECIALITY” and in-  
18 serting “SPECIALTY”.

19 **TITLE III—TRADE**

20 **Subtitle A—Food for Peace Act**

21 **SEC. 3001. GENERAL AUTHORITY.**

22 Section 201 of the Food for Peace Act (7 U.S.C.  
23 1721) is amended—

1           (1) in the matter preceding paragraph (1), by  
2           inserting “(to be implemented by the Adminis-  
3           trator)” after “under this title”; and

4           (2) by striking paragraph (7) and the second  
5           sentence and inserting the following new paragraph:

6           “(7) build resilience to mitigate and prevent  
7           food crises and reduce the future need for emer-  
8           gency aid.”.

9   **SEC. 3002. SUPPORT FOR ORGANIZATIONS THROUGH**  
10                           **WHICH ASSISTANCE IS PROVIDED.**

11           Section 202(e)(1) of the Food for Peace Act (7  
12   U.S.C. 1722(e)(1)) is amended by striking “13 percent”  
13   and inserting “11 percent”.

14   **SEC. 3003. FOOD AID QUALITY.**

15           Section 202(h) of the Food for Peace Act (7 U.S.C.  
16   1722(h)) is amended—

17           (1) in paragraph (1)—

18           (A) in the matter preceding subparagraph

19           (A)—

20           (i) by striking “The Administrator  
21           shall use funds made available for fiscal  
22           year 2009” and inserting “In consultation  
23           with the Secretary, the Administrator shall  
24           use funds made available for fiscal year  
25           2013”; and

1 (ii) by inserting “to establish a mech-  
2 anism” after “this title”;

3 (B) by striking “and” at the end of sub-  
4 paragraph (B); and

5 (C) by striking subparagraph (C) and in-  
6 serting the following new paragraphs:

7 “(C) to evaluate, as necessary, the use of  
8 current and new agricultural commodities and  
9 products thereof in different program settings  
10 and for particular recipient groups, including  
11 the testing of prototypes;

12 “(D) to establish and implement appro-  
13 priate protocols for quality assurance of food  
14 products procured by the Secretary for food aid  
15 programs; and

16 “(E) to periodically update program guide-  
17 lines on the recommended use of agricultural  
18 commodities and food products in food aid pro-  
19 grams to reflect findings from the implementa-  
20 tion of this subsection and other relevant infor-  
21 mation.”;

22 (2) in paragraph (2), by striking “The Adminis-  
23 trator” and inserting “In consultation with the Sec-  
24 retary, the Administrator”; and

1           (3) in paragraph (3), by striking “section  
2           207(f)” and all that follows through the period at  
3           the end and inserting the following: “section  
4           207(f)—

5                   “(A) for fiscal years 2009 through 2013,  
6                   not more than \$4,500,000 may be used to carry  
7                   out this subsection; and

8                   “(B) for fiscal years 2014 through 2018,  
9                   not more than \$1,000,000 may be used to carry  
10                  out this subsection.”.

11 **SEC. 3004. MINIMUM LEVELS OF ASSISTANCE.**

12           Section 204(a) of the Food for Peace Act (7 U.S.C.  
13 1724(a)) is amended—

14           (1) in paragraph (1), by striking “2012” and  
15           inserting “2018”; and

16           (2) in paragraph (2), by striking “2012” and  
17           inserting “2018”.

18 **SEC. 3005. FOOD AID CONSULTATIVE GROUP.**

19           (a) MEMBERSHIP.—Section 205(b) of the Food for  
20 Peace Act (7 U.S.C. 1725(b)) is amended—

21           (1) by striking “and” at the end of paragraph  
22           (6);

23           (2) by redesignating paragraph (7) as para-  
24           graph (8); and

1           (3) by inserting after paragraph (6) the fol-  
2           lowing new paragraph:

3           “(7) representatives from the United States ag-  
4           ricultural processing sector involved in providing ag-  
5           ricultural commodities for programs under this Act;  
6           and”.

7           (b) CONSULTATION.—Section 205(d) of the Food for  
8           Peace Act (7 U.S.C. 1725(d)) is amended—

9           (1) by striking the first sentence and inserting  
10          the following:

11          “(1) CONSULTATION IN ADVANCE OF ISSUANCE  
12          OF IMPLEMENTATION REGULATIONS, HANDBOOKS,  
13          AND GUIDELINES.—Not later than 45 days before a  
14          proposed regulation, handbook, or guideline imple-  
15          menting this title, or a proposed significant revision  
16          to a regulation, handbook, or guideline implementing  
17          this title, becomes final, the Administrator shall pro-  
18          vide the proposal to the Group for review and com-  
19          ment.”; and

20          (2) by adding at the end the following new  
21          paragraph:

22          “(2) CONSULTATION REGARDING FOOD AID  
23          QUALITY EFFORTS.—The Administrator shall seek  
24          input from and consult with the Group on the imple-  
25          mentation of section 202(h).”.

1 (c) REAUTHORIZATION.—Section 205(f) of the Food  
2 for Peace Act (7 U.S.C. 1725(f)) is amended by striking  
3 “2012” and inserting “2018”.

4 **SEC. 3006. OVERSIGHT, MONITORING, AND EVALUATION.**

5 (a) REGULATIONS AND GUIDANCE.—Section 207(c)  
6 of the Food for Peace Act (7 U.S.C. 1726a(c)) is amend-  
7 ed—

8 (1) in the subsection heading, by inserting  
9 “AND GUIDANCE” after “REGULATIONS”;

10 (2) in paragraph (1), by adding at the end the  
11 following new sentence: “Not later than 270 days  
12 after the date of the enactment of the Federal Agri-  
13 culture Reform and Risk Management Act of 2013,  
14 the Administrator shall issue all regulations and re-  
15 visions to agency guidance necessary to implement  
16 the amendments made to this title by such Act.”;  
17 and

18 (3) in paragraph (2), by inserting “and guid-  
19 ance” after “develop regulations”.

20 (b) FUNDING.—Section 207(f) of the Food for Peace  
21 Act (7 U.S.C. 1726a(f)) is amended—

22 (1) in paragraph (2)—

23 (A) by inserting “and” at the end of sub-  
24 paragraph (D);

1 (B) by striking “; and” at the end of sub-  
2 paragraph (E) and inserting the period; and

3 (C) by striking subparagraph (F);

4 (2) by striking paragraphs (3) and (4); and

5 (3) by redesignating paragraphs (5) and (6) as  
6 paragraphs (3) and (4), respectively; and

7 (4) in paragraph (4) (as so redesignated)—

8 (A) in subparagraph (A), by striking  
9 “2012” and all that follows through the period  
10 at the end and inserting “2013, and up to  
11 \$10,000,000 of such funds for each of fiscal  
12 years 2014 through 2018.”; and

13 (B) in subparagraph (B)(i), by striking  
14 “2012” and inserting “2018”.

15 (c) IMPLEMENTATION REPORTS.—Not later than 270  
16 days after the date of the enactment of this Act, the Ad-  
17 ministrator of the Agency for International Development  
18 shall submit to the Committee on Agriculture, Nutrition,  
19 and Forestry of the Senate and the Committees on Agri-  
20 culture and Foreign Affairs of the House of Representa-  
21 tives a report describing—

22 (1) the implementation of section 207(c) of the  
23 Food for Peace Act (7 U.S.C. 1726a(c));

24 (2) the surveys, studies, monitoring, reporting,  
25 and audit requirements for programs conducted

1 under title II of such Act (7 U.S.C. 1721 et seq.)  
2 by an eligible organization that is a nongovern-  
3 mental organization (as such term is defined in sec-  
4 tion 402 of such Act (7 U.S.C. 1732)); and

5 (3) the surveys, studies, monitoring, reporting,  
6 and audit requirements for such programs by an eli-  
7 gible organization that is an intergovernmental orga-  
8 nization, such as the World Food Program or other  
9 multilateral organization.

10 **SEC. 3007. ASSISTANCE FOR STOCKPILING AND RAPID**  
11 **TRANSPORTATION, DELIVERY, AND DIS-**  
12 **TRIBUTION OF SHELF-STABLE PRE-**  
13 **PACKAGED FOODS.**

14 Section 208(f) of the Food for Peace Act (7 U.S.C.  
15 1726b(f)) is amended by striking “2012” and inserting  
16 “2018”.

17 **SEC. 3008. GENERAL PROVISIONS.**

18 (a) **IMPACT ON LOCAL FARMERS AND ECONOMY.**—  
19 Section 403(b) of the Food for Peace Act (7 U.S.C.  
20 1733(b)) is amended by adding at the end the following  
21 new sentence: “The Secretary or the Administrator, as ap-  
22 propriate, shall seek information, as part of the regular  
23 proposal and submission process, from implementing  
24 agencies on the potential benefits to the local economy of

1 sales of agricultural commodities within the recipient  
2 country.”.

3 (b) PREVENTION OF PRICE DISRUPTIONS.—Section  
4 403(e) of the Food for Peace Act (7 U.S.C. 1733(e)) is  
5 amended—

6 (1) in paragraph (2), by striking “reasonable  
7 market price” and inserting “fair market value”;  
8 and

9 (2) by adding at the end the following new  
10 paragraph:

11 “(3) COORDINATION ON ASSESSMENTS.—The  
12 Secretary and the Administrator shall coordinate in  
13 assessments to carry out paragraph (1) and in the  
14 development of approaches to be used by imple-  
15 menting agencies for determining the fair market  
16 value described in paragraph (2).”.

17 (c) REPORT ON USE OF FUNDS.—Section 403 of the  
18 Food for Peace Act (7 U.S.C. 1733) is amended by adding  
19 at the end the following new subsection:

20 “(m) REPORT ON USE OF FUNDS.—Not later than  
21 180 days after the date of the enactment of the Federal  
22 Agriculture Reform and Risk Management Act of 2013,  
23 and annually thereafter, the Administrator shall submit  
24 to Congress a report—

1           “(1) specifying the amount of funds (including  
2 funds for administrative costs, indirect cost recovery,  
3 and internal transportation, storage and handling,  
4 and associated distribution costs) provided to each  
5 eligible organization that received assistance under  
6 this Act in the previous fiscal year; and

7           “(2) describing how those funds were used by  
8 the eligible organization.”.

9 **SEC. 3009. PREPOSITIONING OF AGRICULTURAL COMMOD-**  
10 **ITIES.**

11       Section 407(c)(4) of the Food for Peace Act (7  
12 U.S.C. 1736a(c)(4)) is amended—

13           (1) in subparagraph (A)—

14               (A) by striking “2012” and inserting  
15 “2018”; and

16               (B) by striking “for each such fiscal year  
17 not more than \$10,000,000 of such funds” and  
18 inserting “for each of fiscal years 2001 through  
19 2013 not more than \$10,000,000 of such funds  
20 and for each of fiscal years 2014 through 2018  
21 not more than \$15,000,000 of such funds”; and

22           (2) by striking subparagraph (B) and inserting  
23 the following new subparagraph:

24               “(B)       ADDITIONAL       PREPOSITIONING  
25       SITES.—The Administrator may establish addi-

1           tional sites for prepositioning in foreign coun-  
2           tries or change the location of current sites for  
3           prepositioning in foreign countries after con-  
4           ducting, and based on the results of, assess-  
5           ments of need, the availability of appropriate  
6           technology for long-term storage, feasibility,  
7           and cost.”.

8   **SEC. 3010. ANNUAL REPORT REGARDING FOOD AID PRO-**  
9                           **GRAMS AND ACTIVITIES.**

10          Section 407(f)(1) of the Food for Peace Act (7  
11   U.S.C. 1736a(f)(1)) is amended—

12               (1) in the paragraph heading, by striking “AG-  
13   RICULTURAL TRADE” and inserting “FOOD AID”;

14               (2) in subparagraph (B)(ii), by inserting before  
15   the semicolon at the end the following: “and the  
16   total number of beneficiaries of the project and the  
17   activities carried out through such project”; and

18               (3) in subparagraph (B)(iii)—

19                   (A) in the matter preceding subclause (I),  
20                   by inserting “, and the total number of bene-  
21                   ficiaries in,” after “commodities made available  
22                   to”;

23                   (B) by striking “and” at the end of sub-  
24                   clause (I);

1 (C) by inserting “and” at the end of sub-  
2 clause (II); and

3 (D) by inserting after subclause (II) the  
4 following new subclause:

5 “(III) the McGovern-Dole Inter-  
6 national Food for Education and  
7 Child Nutrition Program established  
8 by section 3107 of the Farm Security  
9 and Rural Investment Act of 2002 (7  
10 U.S.C. 1736o-1);”.

11 **SEC. 3011. DEADLINE FOR AGREEMENTS TO FINANCE**  
12 **SALES OR TO PROVIDE OTHER ASSISTANCE.**

13 Section 408 of the Food for Peace Act (7 U.S.C.  
14 1736b) is amended by striking “2012” and inserting  
15 “2018”.

16 **SEC. 3012. AUTHORIZATION OF APPROPRIATIONS.**

17 (a) **AUTHORIZATION OF APPROPRIATIONS.**—Section  
18 412(a)(1) of the Food for Peace Act (7 U.S.C.  
19 1736f(a)(1)) is amended by striking “for fiscal year 2008  
20 and each fiscal year thereafter, \$2,500,000,000” and in-  
21 serting “\$2,500,000,000 for each of fiscal years 2008  
22 through 2013 and \$2,000,000,000 for each of fiscal years  
23 2014 through 2018”.

24 (b) **MINIMUM LEVEL OF NONEMERGENCY FOOD AS-**  
25 **SISTANCE.**—Paragraph (1) of section 412(e) of the Food

1 for Peace Act (7 U.S.C. 1736f(e)) is amended to read as  
2 follows:

3           “(1) FUNDS AND COMMODITIES.—For each of  
4 fiscal years 2014 through 2018, of the amounts  
5 made available to carry out emergency and non-  
6 emergency food assistance programs under title II,  
7 not less than \$400,000,000 shall be expended for  
8 nonemergency food assistance programs under such  
9 title.”.

10 **SEC. 3013. MICRONUTRIENT FORTIFICATION PROGRAMS.**

11           (a) ELIMINATION OF OBSOLETE REFERENCE TO  
12 STUDY.—Section 415(a)(2)(B) of the Food for Peace Act  
13 (7 U.S.C. 1736g–2(a)(2)(B)) is amended by striking “,  
14 using recommendations” and all that follows through  
15 “quality enhancements”.

16           (b) EXTENSION.—Section 415(c) of the Food for  
17 Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking  
18 “2012” and inserting “2018”.

19 **SEC. 3014. JOHN OGWONSKI AND DOUG BEREUTER FARM-  
20 ER-TO-FARMER PROGRAM.**

21           Section 501 of the Food for Peace Act (7 U.S.C.  
22 1737) is amended—

23           (1) in subsection (d), in the matter preceding  
24 paragraph (1), by striking “2012” and inserting  
25 “2013, and not less than the greater of \$15,000,000

1 or 0.5 percent of the amounts made available for  
2 each of fiscal years 2014 through 2018,”; and

3 (2) in subsection (e)(1), by striking “2012” and  
4 inserting “2018”.

## 5 **Subtitle B—Agricultural Trade Act** 6 **of 1978**

### 7 **SEC. 3101. FUNDING FOR EXPORT CREDIT GUARANTEE** 8 **PROGRAM.**

9 Section 211(b) of the Agricultural Trade Act of 1978  
10 (7 U.S.C. 5641(b)) is amended by striking “2012” and  
11 inserting “2018”.

### 12 **SEC. 3102. FUNDING FOR MARKET ACCESS PROGRAM.**

13 Section 211(c)(1)(A) of the Agricultural Trade Act  
14 of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking  
15 “2012” and inserting “2018”.

### 16 **SEC. 3103. FOREIGN MARKET DEVELOPMENT COOPERATOR** 17 **PROGRAM.**

18 Section 703(a) of the Agricultural Trade Act of 1978  
19 (7 U.S.C. 5723(a)) is amended by striking “2012” and  
20 inserting “2018”.

## 21 **Subtitle C—Other Agricultural** 22 **Trade Laws**

### 23 **SEC. 3201. FOOD FOR PROGRESS ACT OF 1985.**

24 (a) EXTENSION.—The Food for Progress Act of 1985  
25 (7 U.S.C. 1736o) is amended—

1 (1) in subsection (f)(3), by striking “2012” and  
2 inserting “2018”;

3 (2) in subsection (g), by striking “2012” and  
4 inserting “2018”;

5 (3) in subsection (k), by striking “2012” and  
6 inserting “2018”; and

7 (4) in subsection (l)(1), by striking “2012” and  
8 inserting “2018”.

9 (b) REPEAL OF COMPLETED PROJECT.—Subsection  
10 (f) of the Food for Progress Act of 1985 (7 U.S.C. 1736o)  
11 is amended by striking paragraph (6).

12 **SEC. 3202. BILL EMERSON HUMANITARIAN TRUST.**

13 Section 302 of the Bill Emerson Humanitarian Trust  
14 Act (7 U.S.C. 1736f–1) is amended—

15 (1) in subsection (b)(2)(B)(i), by striking  
16 “2012” both places it appears and inserting “2018”;  
17 and

18 (2) in subsection (h), by striking “2012” both  
19 places it appears and inserting “2018”.

20 **SEC. 3203. PROMOTION OF AGRICULTURAL EXPORTS TO**  
21 **EMERGING MARKETS.**

22 (a) DIRECT CREDITS OR EXPORT CREDIT GUARAN-  
23 TEES.—Section 1542(a) of the Food, Agriculture, Con-  
24 servation, and Trade Act of 1990 (Public Law 101–624;

1 7 U.S.C. 5622 note) is amended by striking “2012” and  
2 inserting “2018”.

3 (b) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—  
4 Section 1542(d)(1)(A)(i) of the Food, Agriculture, Con-  
5 servation, and Trade Act of 1990 (Public Law 101–624;  
6 7 U.S.C. 5622 note) is amended by striking “2012” and  
7 inserting “2018”.

8 **SEC. 3204. MCGOVERN-DOLE INTERNATIONAL FOOD FOR**  
9 **EDUCATION AND CHILD NUTRITION PRO-**  
10 **GRAM.**

11 (a) REAUTHORIZATION.—Section 3107(l)(2) of the  
12 Farm Security and Rural Investment Act of 2002 (7  
13 U.S.C. 1736o–1(l)(2)) is amended by striking “2012” and  
14 inserting “2018”.

15 (b) TECHNICAL CORRECTION.—Section 3107(d) of  
16 the Farm Security and Rural Investment Act of 2002 (7  
17 U.S.C. 1736o–1(d)) is amended by striking “to” in the  
18 matter preceding paragraph (1).

19 **SEC. 3205. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.**

20 (a) PURPOSE.—Section 3205(b) of the Farm Secu-  
21 rity and Rural Investment Act of 2002 (7 U.S.C. 5680(b))  
22 is amended by striking “related barriers to trade” and in-  
23 serting “technical barriers to trade”.

1 (b) FUNDING.—Section 3205(e)(2) of the Farm Se-  
2 curity and Rural Investment Act of 2002 (7 U.S.C.  
3 5680(e)(2)) is amended—

4 (1) by inserting “and” at the end of subpara-  
5 graph (C); and

6 (2) by striking subparagraphs (D) and (E) and  
7 inserting the following new subparagraph:

8 “(D) \$9,000,000 for each of fiscal years  
9 2011 through 2018.”.

10 **SEC. 3206. GLOBAL CROP DIVERSITY TRUST.**

11 Section 3202(c) of the Food, Conservation, and En-  
12 ergy Act of 2008 (Public Law 110–246; 22 U.S.C. 2220a  
13 note) is amended by striking “section” and all that follows  
14 through the period and inserting the following: “section—

15 “(1) \$60,000,000 for the period of fiscal years  
16 2008 through 2013; and

17 “(2) \$50,000,000 for the period of fiscal years  
18 2014 through 2018.”.

19 **SEC. 3207. UNDER SECRETARY OF AGRICULTURE FOR FOR-**  
20 **EIGN AGRICULTURAL SERVICES.**

21 (a) IN GENERAL.—Subtitle B of the Department of  
22 Agriculture Reorganization Act of 1994 is amended by in-  
23 serting after section 225 (7 U.S.C. 6931) the following  
24 new section:

1 **“SEC. 225A. UNDER SECRETARY OF AGRICULTURE FOR**  
2 **FOREIGN AGRICULTURAL SERVICES.**

3 “(a) AUTHORIZATION.—The Secretary is authorized  
4 to establish in the Department the position of Under Sec-  
5 retary of Agriculture for Foreign Agricultural Services.

6 “(b) CONFIRMATION REQUIRED.—If the Secretary  
7 establishes the position of Under Secretary of Agriculture  
8 for Foreign Agricultural Services under subsection (a), the  
9 Under Secretary shall be appointed by the President, by  
10 and with the advice and consent of the Senate.

11 “(c) FUNCTIONS OF UNDER SECRETARY.—

12 “(1) PRINCIPAL FUNCTIONS.—Upon establish-  
13 ment, the Secretary shall delegate to the Under Sec-  
14 retary of Agriculture for Foreign Agricultural Serv-  
15 ices those functions under the jurisdiction of the De-  
16 partment that are related to foreign agricultural  
17 services.

18 “(2) ADDITIONAL FUNCTIONS.—The Under  
19 Secretary of Agriculture for Foreign Agricultural  
20 Services shall perform such other functions as may  
21 be required by law or prescribed by the Secretary.

22 “(d) SUCCESSION.—Any official who is serving as  
23 Under Secretary of Agriculture for Farm and Foreign Ag-  
24 ricultural Services on the date of the enactment of this  
25 section and who was appointed by the President, by and  
26 with the advice and consent of the Senate, shall not be

1 required to be reappointed under subsection (b) or section  
2 225(b) to the successor position authorized under sub-  
3 section (a) or section 225(a) if the Secretary establishes  
4 the position, and the official occupies the new position,  
5 with 180 days after the date of the enactment of this sec-  
6 tion (or such later date set by the Secretary if litigation  
7 delays rapid succession).”.

8 (b) CONFORMING AMENDMENTS.—Section 225 of the  
9 Department of Agriculture Reorganization Act of 1994 (7  
10 U.S.C. 6931) is amended—

11 (1) by striking “Under Secretary of Agriculture  
12 for Farm and Foreign Agricultural Services” each  
13 place it appears and inserting “Under Secretary of  
14 Agriculture for Farm Services”; and

15 (2) in subsection (c)(1), by striking “and for-  
16 eign agricultural”.

17 (c) PERMANENT AUTHORITY.—Section 296(b) of the  
18 Department of Agriculture Reorganization Act of 1994 (7  
19 U.S.C. 7014(b)) is amended—

20 (1) in paragraph (6)(C), by striking “or” at the  
21 end;

22 (2) in paragraph (7), by striking the period at  
23 the end and inserting a semicolon; and

24 (3) by adding at the end the following new  
25 paragraph:

1           “(8) the authority of the Secretary to establish  
2           in the Department the position of Under Secretary  
3           of Agriculture for Foreign Agricultural Services in  
4           accordance with section 225A;”.

5                           **TITLE IV—NUTRITION**  
6                           **Subtitle A—Supplemental**  
7                           **Nutrition Assistance Program**

8   **SEC. 4001. PREVENTING PAYMENT OF CASH TO RECIPIENTS**  
9                           **OF SUPPLEMENTAL NUTRITION ASSISTANCE**  
10                          **FOR THE RETURN OF EMPTY BOTTLES AND**  
11                          **CANS USED TO CONTAIN FOOD PURCHASED**  
12                          **WITH BENEFITS PROVIDED UNDER THE PRO-**  
13                          **GRAM.**

14           Section 3(k)(1) of the Food and Nutrition Act of  
15   2008 (7 U.S.C. 2012(k)(1)) is amended—

16                          (1) by striking “and hot foods” and inserting  
17           “hot foods”; and

18                          (2) by adding at the end the following:  
19   “and any deposit fee in excess of amount of the State fee  
20   reimbursement (if any) required to purchase any food or  
21   food product contained in a returnable bottle or can, re-  
22   gardless of whether such fee is included in the shelf price  
23   posted for such food or food product,”.

1 **SEC. 4002. RETAILERS.**

2 (a) DEFINITION OF RETAIL FOOD STORE.—Section  
3 3(p)(1)(A) of the Food and Nutrition Act of 2008 (7  
4 U.S.C. 2012(p)(1)(A)) is amended by striking “at least  
5 2” and inserting “at least 3”.

6 (b) ALTERNATIVE BENEFIT DELIVERY.—Section  
7 7(f) of the Food and Nutrition Act of 2008 (7 U.S.C.  
8 2016(f)) is amended—

9 (1) by striking paragraph (2) and inserting the  
10 following:

11 “(2) IMPOSITION OF COSTS.—

12 “(A) IN GENERAL.—Except as provided in  
13 subparagraph (B), the Secretary shall require  
14 participating retailers (including restaurants  
15 participating in a State option restaurant pro-  
16 gram intended to serve the elderly, disabled,  
17 and homeless) to pay 100 percent of the costs  
18 of acquiring, and arrange for the implementa-  
19 tion of, electronic benefit transfer point-of-sale  
20 equipment and supplies.

21 “(B) EXEMPTIONS.—The Secretary may  
22 exempt from subparagraph (A)—

23 “(i) farmers’ markets, military com-  
24 missaries, nonprofit food buying coopera-  
25 tives, and establishments, organizations,  
26 programs, or group living arrangements

1 described in paragraphs (5), (7), and (8)  
2 of section 3(k); and

3 “(ii) establishments described in para-  
4 graphs (3), (4), and (9) of section 3(k),  
5 other than restaurants participating in a  
6 State option restaurant program.”; and

7 (2) by adding at the end the following:

8 “(4) TERMINATION OF MANUAL VOUCHERS.—

9 “(A) IN GENERAL.—Effective beginning on  
10 the effective date of this paragraph, except as  
11 provided in subparagraph (B), no State shall  
12 issue manual vouchers to a household that re-  
13 ceives supplemental nutrition assistance under  
14 this Act or allow retailers to accept manual  
15 vouchers as payment, unless the Secretary de-  
16 termines that the manual vouchers are nec-  
17 essary, such as in the event of an electronic  
18 benefit transfer system failure or a disaster sit-  
19 uation.

20 “(B) EXEMPTIONS.—The Secretary may  
21 exempt categories of retailers or individual re-  
22 tailers from subparagraph (A) based on criteria  
23 established by the Secretary.

24 “(5) UNIQUE IDENTIFICATION NUMBER RE-  
25 QUIRED.—In an effort to enhance the antifraud pro-

1       tections of the program, the Secretary shall require  
2       all parties providing electronic benefit transfer serv-  
3       ices to provide for and maintain a unique terminal  
4       identification number information through the sup-  
5       plemental nutrition assistance program electronic  
6       benefit transfer transaction routing system. In devel-  
7       oping the regulations implementing this paragraph,  
8       the Secretary shall consider existing commercial  
9       practices for other point-of-sale debit transactions.  
10      The Secretary shall issue proposed regulations im-  
11      plementing this paragraph not earlier than 2 years  
12      after the date of enactment of this paragraph.”.

13      (c) ELECTRONIC BENEFIT TRANSFERS.—Section  
14      7(h)(3)(B) of the Food and Nutrition Act of 2008 (7  
15      U.S.C. 2016(h)(3)(B)) is amended by striking “is oper-  
16      ational—” and all that follows through “(ii) in the case  
17      of other participating stores,” and inserting “is oper-  
18      ational”.

19      (d) APPROVAL OF RETAIL FOOD STORES AND  
20      WHOLESALE FOOD CONCERNS.—Section 9 of the Food  
21      and Nutrition Act of 2008 (7 U.S.C. 2018) is amended—

22              (1) in the 2d sentence of subsection (a)(1) by  
23              striking “; and (C)” and inserting “; (C) whether  
24              the applicant is located in an area with significantly  
25              limited access to food; and (D)”;

1 (2) by adding at the end the following:

2 “(g) EBT SERVICE REQUIREMENT.—An approved  
3 retail food store shall provide adequate EBT service as  
4 described in section 7(h)(3)(B).”.

5 **SEC. 4003. ENHANCING SERVICES TO ELDERLY AND DIS-**  
6 **ABLED SUPPLEMENTAL NUTRITION ASSIST-**  
7 **ANCE PROGRAM RECIPIENTS.**

8 (a) ENHANCING SERVICES TO ELDERLY AND DIS-  
9 ABLED PROGRAM RECIPIENTS.—Section 3(p) of the Food  
10 and Nutrition Act of 2008 (7 U.S.C. 2012(p)) is amend-  
11 ed—

12 (1) in paragraph (3) by striking “and” at the  
13 end,

14 (2) in paragraph (4) by striking the period at  
15 the end and inserting “; and”, and

16 (3) by inserting after paragraph (4) the fol-  
17 lowing:

18 “(5) a governmental or private nonprofit food  
19 purchasing and delivery service that—

20 “(A) purchases food for, and delivers such  
21 food to, individuals who are—

22 “(i) unable to shop for food; and

23 “(ii)(I) not less than 60 years of age;

24 or

1                   “(II) physically or mentally handi-  
2                   capped or otherwise disabled;

3                   “(B) clearly notifies the participating  
4                   household at the time such household places a  
5                   food order—

6                   “(i) of any delivery fee associated with  
7                   the food purchase and delivery provided to  
8                   such household by such service; and

9                   “(ii) that a delivery fee cannot be paid  
10                  with benefits provided under supplemental  
11                  nutrition assistance program; and

12                  “(C) sells food purchased for such house-  
13                  hold at the price paid by such service for such  
14                  food and without any additional cost markup.”.

15                  (b) IMPLEMENTATION.—

16                  (1) ISSUANCE OF RULES.—The Secretary of  
17                  Agriculture shall issue regulations that—

18                  (A) establish criteria to identify a food  
19                  purchasing and delivery service referred to in  
20                  section 3(p)(5) of the Food and Nutrition Act  
21                  of 2008 as amended by this Act, and

22                  (B) establish procedures to ensure that  
23                  such service—

1 (i) does not charge more for a food  
2 item than the price paid by the such serv-  
3 ice for such food item,

4 (ii) offers food delivery service at no  
5 or low cost to households under such Act,

6 (iii) ensures that benefits provided  
7 under the supplemental nutrition assist-  
8 ance program are used only to purchase  
9 food, as defined in section 3 of such Act,

10 (iv) limits the purchase of food, and  
11 the delivery of such food, to households eli-  
12 gible to receive services described in section  
13 3(p)(5) of such Act as so amended,

14 (v) has established adequate safe-  
15 guards against fraudulent activities, in-  
16 cluding unauthorized use of electronic ben-  
17 efit cards issued under such Act, and

18 (vi) such other requirements as the  
19 Secretary deems to be appropriate.

20 (2) LIMITATION.—Before the issuance of rules  
21 under paragraph (1) , the Secretary of Agriculture  
22 may not approve more than 20 food purchasing and  
23 delivery services referred to in section 3(p)(5) of the  
24 Food and Nutrition Act of 2008 as amended by this

1 Act, to participate as retail food stores under the  
2 supplemental nutrition assistance program.

3 **SEC. 4004. FOOD DISTRIBUTION PROGRAM ON INDIAN RES-**  
4 **ERVATIONS.**

5 Section 4(b)(6)(F) of the Food and Nutrition Act of  
6 2008 (7 U.S.C. 2013(b)(6)(F)) is amended by striking  
7 “2012” and inserting “2018”.

8 **SEC. 4005. UPDATING PROGRAM ELIGIBILITY.**

9 Section 5 of the Food and Nutrition Act of 2008 (7  
10 U.S.C. 2014) is amended—

11 (1) in the 2d sentence of subsection (a) by  
12 striking “households in which each member receives  
13 benefits” and inserting “households in which each  
14 member receives cash assistance”, and

15 (2) in subsection (j) by striking “or who re-  
16 ceives benefits under a State program” and inserting  
17 “or who receives cash assistance under a State pro-  
18 gram”.

19 **SEC. 4006. EXCLUSION OF MEDICAL MARIJUANA FROM EX-**  
20 **CESS MEDICAL EXPENSE DEDUCTION.**

21 Section 5(e)(5) of the Food and Nutrition Act of  
22 2008 (7 U.S.C. 2014(e)(5)) is amended by adding at the  
23 end the following:

24 “(C) EXCLUSION OF MEDICAL MARI-  
25 JUANA.—The Secretary shall promulgate rules

1 to ensure that medical marijuana is not treated  
2 as a medical expense for purposes of this para-  
3 graph.”.

4 **SEC. 4007. STANDARD UTILITY ALLOWANCES BASED ON**  
5 **THE RECEIPT OF ENERGY ASSISTANCE PAY-**  
6 **MENTS.**

7 (a) STANDARD UTILITY ALLOWANCES IN THE SUP-  
8 PLEMENTAL NUTRITION ASSISTANCE PROGRAM.—Section  
9 5(e)(6)(C) of the Food and Nutrition Act of 2008 (7  
10 U.S.C. 2014(e)(6)(C)) is amended—

11 (1) in clause (i) by inserting “, subject to clause  
12 (iv)” after “Secretary”; and

13 (2) by striking subclause (I) of clause (iv) and  
14 in inserting the following:

15 “(I) IN GENERAL.—Subject to  
16 subclause (II), if a State agency elects  
17 to use a standard utility allowance  
18 that reflects heating and cooling costs,  
19 the standard utility allowance shall be  
20 made available to households that re-  
21 ceived a payment, or on behalf of  
22 which a payment was made, under the  
23 Low-Income Home Energy Assistance  
24 Act of 1981 (42 U.S.C. 8621 et seq.)  
25 or other similar energy assistance pro-

1                   gram, if in the current month or in  
2                   the immediately preceding 12 months,  
3                   the household either received such  
4                   payment, or such payment was made  
5                   on behalf of the household, that was  
6                   greater than \$20 annually, as deter-  
7                   mined by the Secretary.”; and

8           (b)           CONFORMING           AMENDMENT.—Section  
9 2605(f)(2)(A) of the Low-Income Home Energy Assist-  
10 ance Act of 1981 (42 U.S.C. 8624(f)(2)(A)) is amended  
11 by inserting before the semicolon the following:

12           “, except that, for purposes of the supplemental nu-  
13           trition assistance program established under the  
14           Food and Nutrition Act of 2008 (7 U.S.C. 2011 et  
15           seq.), such payments or allowances were greater  
16           than \$20 annually, consistent with section  
17           5(e)(6)(C)(iv)(I) of that Act (7 U.S.C.  
18           2014(e)(6)(C)(iv)(I)), as determined by the Sec-  
19           retary of Agriculture”.

20           (c) EFFECTIVE DATE AND IMPLEMENTATION.—

21                   (1) IN GENERAL.—Except as provided in para-  
22                   graph (2), this section and the amendments made by  
23                   this section shall take effect on October 1, 2013,  
24                   and shall apply with respect to certification periods  
25                   that begin after such date.

1           (2) STATE OPTION TO DELAY IMPLEMENTATION  
2           FOR CURRENT RECIPIENTS.—A State may, at the  
3           option of the State, implement a policy that elimi-  
4           nates or reduces the effect of the amendments made  
5           by this section on households that received a stand-  
6           ard utility allowance as of the date of enactment of  
7           this Act, for not more than a 180-day period that  
8           begins on the date on which such amendments would  
9           otherwise apply to the respective household.

10 **SEC. 4008. ELIGIBILITY DISQUALIFICATIONS.**

11           Section 6(e)(3)(B) of Food and Nutrition Act of  
12 2008 (7 U.S.C. 2015(e)(3)(B)) is amended by striking  
13 “section;” and inserting the following:

14           “section, subject to the condition that the  
15           course or program of study—

16                   “(i) is part of a program of career  
17                   and technical education (as defined in sec-  
18                   tion 3 of the Carl D. Perkins Career and  
19                   Technical Education Act of 2006 (20  
20                   U.S.C. 2302)) that may be completed in  
21                   not more than 4 years at an institution of  
22                   higher education (as defined in section 102  
23                   of the Higher Education Act of 1965 (20  
24                   U.S.C. 1002)); or

1                   “(ii) is limited to remedial courses,  
2                   basic adult education, literacy, or English  
3                   as a second language;”.

4 **SEC. 4009. ENDING SUPPLEMENTAL NUTRITION ASSIST-**  
5 **ANCE PROGRAM BENEFITS FOR LOTTERY OR**  
6 **GAMBLING WINNERS.**

7           (a) IN GENERAL.—Section 6 of the Food and Nutri-  
8 tion Act of 2008 (7 U.S.C. 2015) is amended by adding  
9 at the end the following:

10           “(r) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT  
11 OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

12                   “(1) IN GENERAL.—Any household in which a  
13 member receives substantial lottery or gambling  
14 winnings, as determined by the Secretary, shall lose  
15 eligibility for benefits immediately upon receipt of  
16 the winnings.

17                   “(2) DURATION OF INELIGIBILITY.—A house-  
18 hold described in paragraph (1) shall remain ineli-  
19 gible for participation until the household meets the  
20 allowable financial resources and income eligibility  
21 requirements under subsections (c), (d), (e), (f), (g),  
22 (i), (k), (l), (m), and (n) of section 5.

23                   “(3) AGREEMENTS.—As determined by the Sec-  
24 retary, each State agency, to the maximum extent  
25 practicable, shall establish agreements with entities

1 responsible for the regulation or sponsorship of gam-  
2 ing in the State to determine whether individuals  
3 participating in the supplemental nutrition assist-  
4 ance program have received substantial lottery or  
5 gambling winnings.”.

6 (b) CONFORMING AMENDMENTS.—Section 5(a) of  
7 the Food and Nutrition Act of 2008 (7 U.S.C. 2014(a))  
8 is amended in the 2d sentence by striking “sections 6(b),  
9 6(d)(2), and 6(g)” and inserting “subsections (b), (d)(2),  
10 (g), and (r) of section 6”.

11 **SEC. 4010. IMPROVING SECURITY OF FOOD ASSISTANCE.**

12 Section 7(h)(8) of the Food and Nutrition Act of  
13 2008 (7 U.S.C. 2016(h)(8)) is amended—

14 (1) in the heading by striking “CARD FEE” and  
15 inserting “OF CARDS”;

16 (2) by striking “A State” and inserting the fol-  
17 lowing:

18 “(A) FEES.—A State”; and

19 (3) by adding after subparagraph (A) (as so  
20 designated by paragraph (2)) the following:

21 “(B) PURPOSEFUL LOSS OF CARDS.—

22 “(i) IN GENERAL.—Subject to terms  
23 and conditions established by the Secretary  
24 in accordance with clause (ii), if a house-  
25 hold makes excessive requests for replace-

1           ment of the electronic benefit transfer card  
2           of the household, the Secretary may re-  
3           quire a State agency to decline to issue a  
4           replacement card to the household unless  
5           the household, upon request of the State  
6           agency, provides an explanation for the  
7           loss of the card.

8           “(ii) REQUIREMENTS.—The terms  
9           and conditions established by the Secretary  
10          shall provide that—

11                   “(I) the household be given the  
12                   opportunity to provide the requested  
13                   explanation and meet the require-  
14                   ments under this paragraph promptly;

15                   “(II) after an excessive number  
16                   of lost cards, the head of the house-  
17                   hold shall be required to review pro-  
18                   gram rights and responsibilities with  
19                   State agency personnel authorized to  
20                   make determinations under section  
21                   5(a); and

22                   “(III) any action taken, including  
23                   actions required under section  
24                   6(b)(2), other than the withholding of  
25                   the electronic benefit transfer card

1                   until an explanation described in sub-  
2                   clause (I) is provided, shall be con-  
3                   sistent with the due process protec-  
4                   tions under section 6(b) or 11(e)(10),  
5                   as appropriate.

6                   “(C) PROTECTING VULNERABLE PER-  
7                   SONS.—In implementing this paragraph, a  
8                   State agency shall act to protect homeless per-  
9                   sons, persons with disabilities, victims of  
10                  crimes, and other vulnerable persons who lose  
11                  electronic benefit transfer cards but are not in-  
12                  tentionally committing fraud.

13                  “(D) EFFECT ON ELIGIBILITY.—While a  
14                  State may decline to issue an electronic benefits  
15                  transfer card until a household satisfies the re-  
16                  quirements under this paragraph, nothing in  
17                  this paragraph shall be considered a denial of,  
18                  or limitation on, the eligibility for benefits  
19                  under section 5.”.

20 **SEC. 4011. DEMONSTRATION PROJECTS ON ACCEPTANCE**  
21 **OF BENEFITS OF MOBILE TRANSACTIONS.**

22                  Section 7(h) of the Food and Nutrition Act of 2008  
23 (7 U.S.C. 2016(h)) is amended by adding at the end the  
24 following:

1           “(14) DEMONSTRATION PROJECTS ON ACCEPT-  
2           ANCE OF BENEFITS OF MOBILE TRANSACTIONS.—

3           “(A) IN GENERAL.—The Secretary shall  
4           pilot the use of mobile technologies determined  
5           by the Secretary to be appropriate to test the  
6           feasibility and implications for program integ-  
7           rity, by allowing retail food stores, farmers  
8           markets, and other direct producer-to-consumer  
9           marketing outlets to accept benefits from recipi-  
10          ents of supplemental nutrition assistance  
11          through mobile transactions.

12          “(B) DEMONSTRATION PROJECTS.—To be  
13          eligible to participate in a demonstration project  
14          under subsection (a), a retail food store, farm-  
15          ers market, or other direct producer-to-con-  
16          sumer marketing outlet shall submit to the Sec-  
17          retary for approval a plan that includes—

18                 “(i) a description of the technology;

19                 “(ii) the manner by which the retail  
20                 food store, farmers market or other direct  
21                 producer-to-consumer marketing outlet will  
22                 provide proof of the transaction to house-  
23                 holds;

24                 “(iii) the provision of data to the Sec-  
25                 retary, consistent with requirements estab-

1           lished by the Secretary, in a manner that  
2           allows the Secretary to evaluate the impact  
3           of the demonstration on participant access,  
4           ease of use, and program integrity; and

5                   “(iv) such other criteria as the Sec-  
6           retary may require.

7                   “(C) DATE OF COMPLETION.—The dem-  
8           onstration projects under this paragraph shall  
9           be completed and final reports submitted to the  
10          Secretary by not later than July 1, 2016.

11                   “(D) REPORT TO CONGRESS.—The Sec-  
12          retary shall submit a report to the Committee  
13          on Agriculture of the House of Representatives  
14          and the Committee on Agriculture, Nutrition,  
15          and Forestry of the Senate that includes a find-  
16          ing, based on the data provided under subpara-  
17          graph (C) whether or not implementation in all  
18          States is in the best interest of the supple-  
19          mental nutrition assistance program.”.

20   **SEC. 4012. USE OF BENEFITS FOR PURCHASE OF COMMU-**  
21                   **NITY-SUPPORTED AGRICULTURE SHARE.**

22          Section 10 of the Food and Nutrition Act of 2008  
23   (7 U.S.C. 2019) is amended in the 1st sentence by insert-  
24   ing “agricultural producers who market agricultural prod-  
25   ucts directly to consumers shall be authorized to redeem

1 benefits for the initial cost of the purchase of a commu-  
2 nity-supported agriculture share,” after “food so pur-  
3 chased,”.

4 **SEC. 4013. RESTAURANT MEALS PROGRAM.**

5 (a) IN GENERAL.—Section 11(e) of the Food and  
6 Nutrition Act of 2008 (7 U.S.C. 2020(e)) is amended—

7 (1) in paragraph (22) by striking “and” at the  
8 end;

9 (2) in paragraph (23)(C) by striking the period  
10 at the end and inserting “; and”; and

11 (3) by adding at the end the following:

12 “(24) if the State elects to carry out a program  
13 to contract with private establishments to offer  
14 meals at concessional prices, as described in para-  
15 graphs (3), (4), and (9) of section 3(k)—

16 “(A) the plans of the State agency for op-  
17 erating the program, including—

18 “(i) documentation of a need that eli-  
19 gible homeless, elderly, and disabled clients  
20 are underserved in a particular geographic  
21 area;

22 “(ii) the manner by which the State  
23 agency will limit participation to only those  
24 private establishments that the State de-

1 termines necessary to meet the need identi-  
2 fied in clause (i); and

3 “(iii) any other conditions the Sec-  
4 retary may prescribe, such as the level of  
5 security necessary to ensure that only eligi-  
6 ble recipients participate in the program;  
7 and

8 “(B) a report by the State agency to the  
9 Secretary annually, the schedule of which shall  
10 be established by the Secretary, that includes—

11 “(i) the number of households and in-  
12 dividual recipients authorized to partici-  
13 pate in the program, including any infor-  
14 mation on whether the individual recipient  
15 is elderly, disabled, or homeless; and

16 “(ii) an assessment of whether the  
17 program is meeting an established need, as  
18 documented under subparagraph (A)(i).”.

19 (b) APPROVAL OF RETAIL FOOD STORES AND  
20 WHOLESALE FOOD CONCERNS.—Section 9 of the Food  
21 and Nutrition Act of 2008 (7 U.S.C. 2018) is amended  
22 by adding at the end the following:

23 “(h) PRIVATE ESTABLISHMENTS.—

24 “(1) IN GENERAL.—Subject to paragraph (2),  
25 no private establishment that contracts with a State

1 agency to offer meals at concessional prices as de-  
2 scribed in paragraphs (3), (4), and (9) of section  
3 3(k) may be authorized to accept and redeem bene-  
4 fits unless the Secretary determines that the partici-  
5 pation of the private establishment is required to  
6 meet a documented need in accordance with section  
7 11(e)(24).

8 “(2) EXISTING CONTRACTS.—

9 “(A) IN GENERAL.—If, on the day before  
10 the effective date of this subsection, a State has  
11 entered into a contract with a private establish-  
12 ment described in paragraph (1) and the Sec-  
13 retary has not determined that the participation  
14 of the private establishment is necessary to  
15 meet a documented need in accordance with  
16 section 11(e)(24), the Secretary shall allow the  
17 operation of the private establishment to con-  
18 tinue without that determination of need for a  
19 period not to exceed 180 days from the date on  
20 which the Secretary establishes determination  
21 criteria, by regulation, under section 11(e)(24).

22 “(B) JUSTIFICATION.—If the Secretary de-  
23 termines to terminate a contract with a private  
24 establishment that is in effect on the effective  
25 date of this subsection, the Secretary shall pro-

1           vide justification to the State in which the pri-  
2           vate establishment is located for that termi-  
3           nation.

4           “(3) REPORT TO CONGRESS.—Not later than  
5           90 days after September 30, 2014, and 90 days  
6           after the last day of each fiscal year thereafter, the  
7           Secretary shall report to the Committee on Agri-  
8           culture of the House of Representatives and the  
9           Committee on Agriculture, Nutrition, and Forestry  
10          of the Senate on the effectiveness of a program  
11          under this subsection using any information received  
12          from States under section 11(e)(24) as well as any  
13          other information the Secretary may have relating to  
14          the manner in which benefits are used.”.

15          (c) CONFORMING AMENDMENTS.—Section 3(k) of  
16          the Food and Nutrition Act of 2008 (7 U.S.C. 2012(k))  
17          is amended by inserting “subject to section 9(h)” after  
18          “concessional prices” each place it appears.

19       **SEC.    4014.    MANDATING    STATE    IMMIGRATION**  
20                               **VERIFICATION.**

21          Section 11(p) of the Food and Nutrition Act of 2008  
22          (7 U.S.C. 2020(p)) is amended to read as follows:

23          “(p) STATE VERIFICATION OPTION.—In carrying out  
24          the supplemental nutrition assistance program, a State  
25          agency shall be required to use an income and eligibility,

1 or an immigration status, verification system established  
2 under section 1137 of the Social Security Act (42 U.S.C.  
3 1320b–7), in accordance with standards set by the Sec-  
4 retary.”.

5 **SEC. 4015. DATA EXCHANGE STANDARDIZATION FOR IM-**  
6 **PROVED INTEROPERABILITY.**

7 (a) DATA EXCHANGE STANDARDIZATION.—Section  
8 11 of the Food and Nutrition Act of 2008 (7 U.S.C. 2020)  
9 is amended by adding at the end the following:

10 “(v) DATA EXCHANGE STANDARDIZATION FOR IM-  
11 PROVED INTEROPERABILITY.—

12 “(1) DATA EXCHANGE STANDARDS.—

13 “(A) DESIGNATION.—The Secretary, in  
14 consultation with an interagency work group  
15 which shall be established by the Office of Man-  
16 agement and Budget, and considering State  
17 perspectives, shall, by rule, designate a data ex-  
18 change standard for any category of informa-  
19 tion required to be reported under this Act.

20 “(B) DATA EXCHANGE STANDARDS MUST  
21 BE NONPROPRIETARY AND INTEROPERABLE.—

22 The data exchange standard designated under  
23 subparagraph (A) shall, to the extent prac-  
24 ticable, be nonproprietary and interoperable.

1           “(C) OTHER REQUIREMENTS.—In desig-  
2           nating data exchange standards under this sub-  
3           section, the Secretary shall, to the extent prac-  
4           ticable, incorporate—

5                   “(i) interoperable standards developed  
6                   and maintained by an international vol-  
7                   untary consensus standards body, as de-  
8                   fined by the Office of Management and  
9                   Budget, such as the International Organi-  
10                  zation for Standardization;

11                  “(ii) interoperable standards devel-  
12                  oped and maintained by intergovernmental  
13                  partnerships, such as the National Infor-  
14                  mation Exchange Model; and

15                  “(iii) interoperable standards devel-  
16                  oped and maintained by Federal entities  
17                  with authority over contracting and finan-  
18                  cial assistance, such as the Federal Acqui-  
19                  sition Regulatory Council.

20           “(2) DATA EXCHANGE STANDARDS FOR RE-  
21           PORTING.—

22                   “(A) DESIGNATION.—The Secretary, in  
23                   consultation with an interagency work group es-  
24                   tablished by the Office of Management and  
25                   Budget, and considering State perspectives,

1 shall, by rule, designate data exchange stand-  
2 ards to govern the data reporting required  
3 under this part.

4 “(B) REQUIREMENTS.—The data exchange  
5 standards required by subparagraph (A) shall,  
6 to the extent practicable—

7 “(i) incorporate a widely-accepted,  
8 nonproprietary, searchable, computer-read-  
9 able format;

10 “(ii) be consistent with and implement  
11 applicable accounting principles; and

12 “(iii) be capable of being continually  
13 upgraded as necessary.

14 “(C) INCORPORATION OF NONPROPRI-  
15 ETARY STANDARDS.—In designating reporting  
16 standards under this subsection, the Secretary  
17 shall, to the extent practicable, incorporate ex-  
18 isting nonproprietary standards, such as the  
19 eXtensible Markup Language.”.

20 (b) EFFECTIVE DATES.—

21 (1) DATA EXCHANGE STANDARDS.—The Sec-  
22 retary of Agriculture shall issue a proposed rule  
23 under section 11(v)(1) of the Food and Nutrition  
24 Act of 2008 within 12 months after the effective  
25 date of this section, and shall issue a final rule

1 under such section after public comment, within 24  
2 months after such effective date.

3 (2) DATA REPORTING STANDARDS.—The re-  
4 porting standards required under section 11(v)(2) of  
5 such Act shall become effective with respect to re-  
6 ports required in the first reporting period, after the  
7 effective date of the final rule referred to in para-  
8 graph (1) of this subsection, for which the authority  
9 for data collection and reporting is established or re-  
10 newed under the Paperwork Reduction Act.

11 **SEC. 4016. PROHIBITING GOVERNMENT-SPONSORED RE-**  
12 **CRUITMENT ACTIVITIES.**

13 (a) ADMINISTRATIVE COST-SHARING AND QUALITY  
14 CONTROL.—Section 16(a)(4) of the Food and Nutrition  
15 Act of 2008 (7 U.S.C. 2025(a)(4)) is amended by insert-  
16 ing after “recruitment activities” the following: “designed  
17 to persuade an individual to apply for program benefits  
18 or that promote the program via television, radio, or bill-  
19 board advertisements”.

20 (b) LIMITATION ON USE OF FUNDS AUTHORIZED TO  
21 BE APPROPRIATED UNDER ACT.—Section 18 of the Food  
22 and Nutrition Act of 2008 (7 U.S.C. 2027) is amended  
23 by adding at the end the following:

1 “(g)(1) Except as provided in paragraph (2), no  
2 funds authorized to be appropriated under this Act shall  
3 be used by the Secretary for—

4 “(A) recruitment activities designed to persuade  
5 an individual to apply for supplemental nutrition as-  
6 sistance program benefits;

7 “(B) television, radio, or billboard advertise-  
8 ments that are designed to promote supplemental  
9 nutrition assistance program benefits and enroll-  
10 ment; or

11 “(C) any agreements with foreign governments  
12 designed to promote supplemental nutrition assist-  
13 ance program benefits and enrollment.

14 “(2) Paragraph (1)(B) shall not apply to pro-  
15 grammatic activities undertaken with respect to benefits  
16 made available in response to a natural disaster.”.

17 **SEC. 4017. REPEAL OF BONUS PROGRAM.**

18 Section 16(d) of the Food and Nutrition Act of 2008  
19 (7 U.S.C. 2025(d)) is repealed.

20 **SEC. 4018. FUNDING OF EMPLOYMENT AND TRAINING PRO-**  
21 **GRAMS.**

22 Section 16(h)(1)(A) of the Food and Nutrition Act  
23 of 2008 (7 U.S.C. 2025(h)(1)(A)) is amended by striking  
24 “\$90,000,000” and all that follows through

1 “\$79,000,000”, and inserting “\$79,000,000 for each fis-  
2 cal year”.

3 **SEC. 4019. MONITORING EMPLOYMENT AND TRAINING PRO-**  
4 **GRAM.**

5 (a) REPORTING MEASURES.—Section 16(h)(5) of the  
6 Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)(5))  
7 is amended to read:

8 “(5)(A) IN GENERAL.—The Secretary shall  
9 monitor the employment and training programs car-  
10 ried out by State agencies under section 6(d)(4) and  
11 assess their effectiveness in—

12 “(i) preparing members of households par-  
13 ticipating in the supplemental nutrition assist-  
14 ance program for employment, including the ac-  
15 quisition of basic skills necessary for employ-  
16 ment; and

17 “(ii) increasing the numbers of household  
18 members who obtain and retain employment  
19 subsequent to their participation in such em-  
20 ployment and training programs.

21 “(B) REPORTING MEASURES.—The Secretary,  
22 in consultation with the Secretary of Labor, shall de-  
23 velop reporting measures that identify improvements  
24 in the skills, training education or work experience  
25 of members of households participating in the sup-

1       plemental nutrition assistance program. Measures  
2       shall be based on common measures of performance  
3       for federal workforce training programs, so long as  
4       they reflect the challenges facing the types of mem-  
5       bers of households participating in the supplemental  
6       nutrition assistance program who participate in a  
7       specific employment and training component. The  
8       Secretary shall require that each State employment  
9       and training plan submitted under section 11(3)(19)  
10      identify appropriate reporting measures for each of  
11      their proposed components that serve at least 100  
12      people. Such measures may include:

13               “(i) the percentage and number of pro-  
14               gram participants who received employment and  
15               training services and are in unsubsidized em-  
16               ployment subsequent to the receipt of those  
17               services;

18               “(ii) the percentage and number of pro-  
19               gram participants who obtain a recognized post-  
20               secondary credential, including a registered ap-  
21               prenticeship, or a regular secondary school di-  
22               ploma or its recognized equivalent, while par-  
23               ticipating in or within 1 year after receiving  
24               employment and training services;

1           “(iii) the percentage and number of pro-  
2           gram participants who are in an education or  
3           training program that is intended to lead to a  
4           recognized postsecondary credential, including a  
5           registered apprenticeship or on-the-job training  
6           program, a regular secondary school diploma or  
7           its recognized equivalent, or unsubsidized em-  
8           ployment;

9           “(iv) subject to the terms and conditions  
10          set by the Secretary, measures developed by  
11          each State agency to assess the skills acquisi-  
12          tion of employment and training program par-  
13          ticipants that reflect the goals of their specific  
14          employment and training program components,  
15          which may include, but are not limited to—

16               “(I) the percentage and number of  
17               program participants who are meeting pro-  
18               gram requirements in each component of  
19               the State’s education and training pro-  
20               gram; and

21               “(II) the percentage and number of  
22               program participants who are gaining  
23               skills likely to lead to employment as meas-  
24               ured through testing, quantitative or quali-  
25               tative assessment or other method; and

1                   “(v) other indicators as approved by the  
2                   Secretary.

3                   “(C) STATE REPORT.—Each State agency shall  
4                   annually prepare and submit to the Secretary a re-  
5                   port on the State’s employment and training pro-  
6                   gram that includes the numbers of supplemental nu-  
7                   trition assistance program participants who have  
8                   gained skills, training, work or experience that will  
9                   increase their ability to obtain regular employment  
10                  using measures identified in subparagraph (B).

11                  “(D) MODIFICATIONS TO THE STATE EMPLOY-  
12                  MENT AND TRAINING PLAN.—Subject to the terms  
13                  and conditions established by the Secretary, if the  
14                  Secretary determines that the state agency’s per-  
15                  formance with respect to employment and training  
16                  outcomes is inadequate, the Secretary may require  
17                  the State agency to make modifications to their em-  
18                  ployment and training plan to improve such out-  
19                  comes.

20                  “(E) PERIODIC EVALUATION.—

21                  “(i) IN GENERAL.—Subject to terms and  
22                  conditions established by the Secretary, not  
23                  later than October 1, 2016, and not less fre-  
24                  quently than once every 5 years thereafter, the  
25                  Secretary shall conduct a study to review exist-

1           ing practice and research to identify employ-  
2           ment and training program components and  
3           practices that—

4                   “(I) effectively assist members of  
5                   households participating in the supple-  
6                   mental nutrition assistance program in  
7                   gaining skills, training, work, or experience  
8                   that will increase their ability to obtain  
9                   regular employment, and

10                   “(II) are best integrated with state-  
11                   wide workforce development systems.

12                   “(ii) REPORT TO CONGRESS.—The Sec-  
13                   retary shall submit a report that describes the  
14                   results of the study under clause (i) to the  
15                   Committee on Agriculture in the House of Rep-  
16                   resentatives, and the Committee on Agriculture,  
17                   Nutrition and Forestry in the Senate.”.

18           (b) EFFECTIVE DATE.—Notwithstanding section 4(c)  
19 of the Food and Nutrition Act of 2008 (7 U.S.C.  
20 2013(a)), the Secretary shall issue interim final regula-  
21 tions implementing the amendment made by subsection  
22 (a) no later than 18 months after the date of enactment  
23 of this Act. States shall include such reporting measures  
24 in their employment and training plans for the 1st fiscal

1 year thereafter that begins no sooner than 6 months after  
2 the date that such regulations are published.

3 **SEC. 4020. COOPERATION WITH PROGRAM RESEARCH AND**  
4 **EVALUATION.**

5 Section 17 of the Food and Nutrition Act of 2008  
6 (7 U.S.C. 2026) is amended by adding at the end the fol-  
7 lowing:

8 “(l) COOPERATION WITH PROGRAM RESEARCH AND  
9 EVALUATION.—States, State agencies, local agencies, in-  
10 stitutions, facilities such as data consortiums, and con-  
11 tractors participating in programs authorized under this  
12 Act shall cooperate with officials and contractors acting  
13 on behalf of the Secretary in the conduct of evaluations  
14 and studies under this Act and shall submit information  
15 at such time and in such manner as the Secretary may  
16 require.”

17 **SEC. 4021. PILOT PROJECTS TO REDUCE DEPENDENCY AND**  
18 **INCREASE WORK EFFORT IN THE SUPPLE-**  
19 **MENTAL NUTRITION ASSISTANCE PROGRAM.**

20 Section 17 of the Food and Nutrition Act of 2008  
21 (7 U.S.C. 2026), as amended by section 4020, is amended  
22 by adding at the end the following:

23 “(m) PILOT PROJECTS TO REDUCE DEPENDENCY  
24 AND INCREASE WORK EFFORT IN THE SUPPLEMENTAL  
25 NUTRITION ASSISTANCE PROGRAM.—

1           “(1) IN GENERAL.—The Secretary shall carry  
2 out, under such terms and conditions as the Sec-  
3 retary considers to be appropriate, pilot projects to  
4 identify best practices for employment and training  
5 programs under this Act to raise the number of  
6 work registrants who obtain unsubsidized employ-  
7 ment, increase their earned income, and reduce their  
8 reliance on public assistance, including but not lim-  
9 ited to the supplemental nutrition assistance pro-  
10 gram.

11           “(2) SELECTION CRITERIA.—Pilot projects shall  
12 be selected based on criteria the Secretary estab-  
13 lishes, that shall include—

14           “(A) enhancing existing employment and  
15 training programs in the State;

16           “(B) agreeing to participate in the evalua-  
17 tion described in paragraph (3), including mak-  
18 ing available data on participants’ employment  
19 activities and post-participation employment,  
20 earnings, and public benefit receipt;

21           “(C) collaborating with the State work-  
22 force board and other job training programs in  
23 the State and local area;

1           “(D) the extent to which the pilot project’s  
2 components can be easily replicated by other  
3 States or political subdivisions; and

4           “(E) such additional criteria that ensure  
5 that the pilot projects—

6           “(i) target a variety of populations of  
7 work registrants, including childless adults,  
8 parents, and individuals with low skills or  
9 limited work experience;

10           “(ii) are selected from a range of ex-  
11 isting employment and training programs  
12 including programs that provide—

13           “(I) section 20 workfare;

14           “(II) skills development for work  
15 registrants with limited employment  
16 history;

17           “(III) post-employment support  
18 services necessary for maintaining em-  
19 ployment; and

20           “(IV) education leading to a rec-  
21 ognized postsecondary credential, reg-  
22 istered apprenticeship, or secondary  
23 school diploma or its equivalent;

1                   “(iii) are located in a range of geo-  
2                   graphic areas, including rural, urban, and  
3                   Indian reservations;

4                   “(iv) include participants who are ex-  
5                   empt and not exempt under section  
6                   (6)(d)(2).

7                   “(3) EVALUATION.—The Secretary shall pro-  
8                   vide for an independent evaluation of projects se-  
9                   lected under this subsection to measure the impact  
10                  of the pilot projects on the ability of each pilot  
11                  project target population to find and retain employ-  
12                  ment that leads to increased household income and  
13                  reduced dependency, compared to what would have  
14                  occurred in the absence of the pilot project.

15                  “(4) REPORT TO CONGRESS.—By September  
16                  30, 2017, the Secretary shall submit, to the Com-  
17                  mittee on Agriculture of the House of Representa-  
18                  tives and the Committee on Agriculture, Nutrition,  
19                  and Forestry of the Senate, a report that includes  
20                  a description of—

21                         “(A) the results of each pilot project, in-  
22                         cluding an evaluation of the impact of the  
23                         project on the employment, income, and public  
24                         benefit receipt of the targeted population of  
25                         work registrants;

1           “(B) the Federal, State, and other costs of  
2 each pilot project;

3           “(D) the planned dissemination of the re-  
4 ports’ findings with State agencies; and

5           “(E) the steps and funding necessary to  
6 incorporate components of pilot projects that  
7 demonstrate increased employment and earn-  
8 ings into State employment and training pro-  
9 grams.

10          “(5) FUNDING.—From amounts made available  
11 to under section 18(a)(1), the Secretary shall make  
12 \$10,000,000 available for each of the fiscal years  
13 2014, 2015, and 2016 to carry out this subsection.  
14 Such amounts shall remain available until expended.

15          “(6) USE OF FUNDS.—

16               “(A) Funds provided under this subsection  
17 for pilot projects shall be used only for—

18                       “(i) pilot projects that comply with  
19 the provisions of this Act;

20                       “(ii) the costs and administration of  
21 the pilot projects;

22                       “(iii) the costs incurred in providing  
23 information and data to the independent  
24 evaluation under paragraph (3); and

1 “(iv) the costs of the evaluation under  
2 paragraph (3).

3 “(B) Funds made available under this sub-  
4 section may not be used to supplant non-Fed-  
5 eral funds used for existing employment and  
6 training activities.”.

7 **SEC. 4022. AUTHORIZATION OF APPROPRIATIONS.**

8 Section 18(a)(1) of the Food and Nutrition Act of  
9 2008 (7 U.S.C. 2027(a)(1)) is amended in the 1st sen-  
10 tence by striking “2012” and inserting “2018”.

11 **SEC. 4023. LIMITATION ON USE OF BLOCK GRANT TO PUER-**  
12 **TO RICO.**

13 Section 19(a)(2)(B) of the Food and Nutrition Act  
14 of 2008 (7 U.S.C. 2028(a)(2)(B)) is amended by adding  
15 at the end the following:

16 “(iii) LIMITATION ON USE OF  
17 FUNDS.—None of the funds made available  
18 to the Commonwealth of Puerto Rico  
19 under this subparagraph may be used to  
20 provide nutrition assistance in the form of  
21 cash benefits.”.

22 **SEC. 4024. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.**

23 (a) DEFINITION.—Section 25(a)(1)(B)(i) of the Food  
24 and Nutrition Act of 2008 (7 U.S.C. 2034(a)(1)(B)(i)) is  
25 amended—

1           (1) in subclause (II) by striking “and” at the  
2           end;

3           (2) in subclause (III) by striking “or” at the  
4           end and inserting “and”; and

5           (3) by adding at the end the following:

6                               “(IV) to provide incentives for  
7                               the consumption of fruits and vegeta-  
8                               bles among low-income individuals;  
9                               or”.

10          (b) **ADDITIONAL FUNDING.**—Section 25(b) of the  
11 Food and Nutrition Act of 2008 (7 U.S.C. 2034) is  
12 amended by adding at the end the following:

13               “(3) **FUNDING.**—

14                       “(A) **IN GENERAL.**—Out of any funds in  
15                       the Treasury not otherwise appropriated, the  
16                       Secretary of the Treasury shall transfer to the  
17                       Secretary to carry out this section not less than  
18                       \$10,000,000 for fiscal year 2014 and each fis-  
19                       cal year thereafter. Of the amount made avail-  
20                       able under this subparagraph for each such fis-  
21                       cal year, \$5,000,000 shall be available to carry  
22                       out subsection (a)(1)(B)(I)(IV).

23                       “(B) **RECEIPT AND ACCEPTANCE.**—The  
24                       Secretary shall be entitled to receive, shall ac-  
25                       cept, and shall use to carry out this section, the

1 funds transferred under subparagraph (A) with-  
2 out further appropriation.

3 “(C) MAINTENANCE OF FUNDING.—The  
4 funding provided under subparagraph (A) shall  
5 supplement (and not supplant) other Federal  
6 funding made available to the Secretary to  
7 carry out this section.”.

8 **SEC. 4025. EMERGENCY FOOD ASSISTANCE.**

9 (a) PURCHASE OF COMMODITIES.—Section 27(a) of  
10 the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a))  
11 is amended—

12 (1) in paragraph (1) by striking “2008 through  
13 2012” and inserting “2013 through 2018”;

14 (2) in paragraph (2)—

15 (A) by striking subparagraphs (A) and (B)  
16 and inserting the following:

17 “(A) for fiscal year 2013, \$265,750,000;

18 “(B) for fiscal year 2014 the dollar  
19 amount of commodities specified in subpara-  
20 graph (A) adjusted by the percentage by which  
21 the thrifty food plan has been adjusted under  
22 section 3(u)(4) between June 30, 2012 and  
23 June 30, 2013, and subsequently increased by  
24 \$20,000,000;”;

25 (B) in subparagraph (C)—

1 (i) by striking “2010 through 2012,  
2 the dollar amount of commodities specified  
3 in” and inserting “2015 through 2018, the  
4 total amount of commodities under”; and

5 (ii) by striking “2008” and inserting  
6 “2013”; and

7 (3) by adding at the end the following:

8 “(3) FUNDS AVAILABILITY.—For purposes of  
9 the funds described in this subsection, the Secretary  
10 shall—

11 “(A) make the funds available for 2 fiscal  
12 years; and

13 “(B) allow States to carry over unex-  
14 pended balances to the next fiscal year pursu-  
15 ant to such terms and conditions as are deter-  
16 mined by the Secretary.”.

17 (b) EMERGENCY FOOD PROGRAM INFRASTRUCTURE  
18 GRANTS.—Section 209(d) of the Emergency Food Assist-  
19 ance Act of 1983 (7 U.S.C. 7511a(d)) is amended by  
20 striking “2012” and inserting “2018”.

21 **SEC. 4026. NUTRITION EDUCATION.**

22 Section 28 of the Food and Nutrition Act of 2008  
23 (7 U.S.C. 2036a) is amended—

24 (1) in subsection (b) by inserting “and physical  
25 activity” after “healthy food choices”; and

1 (2) in subsection (d)(1)—

2 (A) in subparagraph (D) by striking  
3 “\$401,000,000;” and inserting “\$375,000,000;  
4 and”;

5 (B) by striking subparagraph (E); and

6 (C) in subparagraph (F) by striking “(F)  
7 For fiscal year 2016” and inserting “(E) For  
8 fiscal year 2015”.

9 **SEC. 4027. RETAILER TRAFFICKING.**

10 The Food and Nutrition Act of 2008 (7 U.S.C. 2011  
11 et seq.) is amended by adding at the end the following:

12 **“SEC. 29. RETAILER TRAFFICKING.**

13 “(a) PURPOSE.—The purpose of this section is to  
14 provide the Department of Agriculture with additional re-  
15 sources to prevent trafficking in violation of this Act by  
16 strengthening recipient and retailer program integrity.  
17 Additional funds are provided to supplement the Depart-  
18 ment’s payment accuracy, and retailer and recipient integ-  
19 rity activities.

20 “(b) FUNDING.—

21 “(1) IN GENERAL.—Out of any funds in the  
22 Treasury not otherwise appropriated, the Secretary  
23 of the Treasury shall transfer to the Secretary to  
24 carry out this section not less than \$5,000,000 for  
25 fiscal year 2014 and each fiscal year thereafter.

1           “(2) RECEIPT AND ACCEPTANCE.—The Sec-  
2           retary shall be entitled to receive, shall accept, and  
3           shall use to carry out this section the funds trans-  
4           ferred under paragraph (1) without further appro-  
5           priation.

6           “(3) MAINTENANCE OF FUNDING.—The fund-  
7           ing provided under paragraph (1) shall supplement  
8           (and not supplant) other Federal funding for pro-  
9           grams carried out under this Act.”.

10 **SEC. 4028. TECHNICAL AND CONFORMING AMENDMENTS.**

11           (a) Section 3 of the Food and Nutrition Act of 2008  
12 (7 U.S.C. 2012) is amended—

13           (1) in subsection (g) by striking “coupon,” the  
14           last place it appears and inserting “coupon”;

15           (2) in subsection (k)(7) by striking “or are”  
16           and inserting “and”;

17           (3) by striking subsection (l);

18           (4) by redesignating subsections (m) through  
19           (t) as subsections (l) through (s), respectively; and

20           (5) by inserting after subsection (s) (as so re-  
21           designated) the following:

22           “(t) ‘Supplemental nutritional assistance program’  
23           means the program operated pursuant to this Act.”.

1 (b) Section 4(a) of the Food and Nutrition Act of  
2 2008 (7 U.S.C. 2013(a)) is amended by striking “bene-  
3 fits” the last place it appears and inserting “Benefits”.

4 (c) Section 5 of the Food and Nutrition Act of 2008  
5 (7 U.S.C. 2014) is amended—

6 (1) in the last sentence of subsection (i)(2)(D)  
7 by striking “section 13(b)(2)” and inserting “section  
8 13(b)”;

9 (2) in subsection (k)(4)(A) by striking “para-  
10 graph (2)(H)” and inserting “paragraph (2)(G)”.

11 (d) Section 6(d)(4) of the Food and Nutrition Act  
12 of 2008 (7 U.S.C. 2015(d)(4)) is amended—

13 (1) in subparagraph (B)(vii) by moving the left  
14 margin 2 ems to the left, and

15 (2) in subparagraph(F)(iii) by moving the left  
16 margin 4 ems to the left.

17 (e) Section 7(h) of the Food and Nutrition Act of  
18 2008 (7 U.S.C. 2016(h)) is amended by redesignating the  
19 2d paragraph (12) as paragraph (13).

20 (f) Section 9(a)(3) of the Food and Nutrition Act of  
21 2008 (7 U.S.C. 2018(a)) is amended by moving the left  
22 margin 2 ems to the left.

23 (g) Section 12 of the Food and Nutrition Act of 2008  
24 (7 U.S.C. 2021) is amended—

1           (1) in subsection (b)(3)(C) by striking “civil  
2           money penalties” and inserting “civil penalties”; and

3           (2) in subsection (g)(1) by striking “(7 U.S.C.  
4           1786)” and inserting “(42 U.S.C. 1786)”.

5           (h) Section 15(b)(1) of the Food and Nutrition Act  
6 of 2008 (7 U.S.C. 2024(b)(1)) is amended in the 1st sen-  
7 tence by striking “an benefit” and inserting “a benefit”.

8           (i) Section 16(a) of the Food and Nutrition Act of  
9 2008 (7 U.S.C. 2025(a)) is amended in the proviso fol-  
10 lowing paragraph (8) by striking “, as amended.”.

11          (j) Section 18(e) of the Food and Nutrition Act of  
12 2008 (7 U.S.C. 2027(e)) is amended in the 1st sentence  
13 by striking “sections 7(f)” and inserting “section 7(f)”.

14          (k) Section 22(b)(10)(B)(i) of the Food and Nutri-  
15 tion Act of 2008 (7 U.S.C. 2031(b)(10)(B)(i)) is amended  
16 in the last sentence by striking “Food benefits” and in-  
17 serting “Benefits”.

18          (l) Section 26(f)(3)(C) of the Food and Nutrition Act  
19 of 2008 (7 U.S.C. 2035(f)(3)(C)) is amended by striking  
20 “subsection” and inserting “subsections”.

21          (m) Section 27(a)(1) of the Food and Nutrition Act  
22 of 2008 (7 U.S.C. 2036(a)(1)) is amended by striking  
23 “(Public Law 98–8; 7 U.S.C. 612c note)” and inserting  
24 “(7 U.S.C. 7515)”.

1 (n) Section 509 of the Older Americans Act of 1965  
2 (42 U.S.C. 3056g) is amended in the section heading by  
3 striking “**FOOD STAMP PROGRAMS**” and inserting  
4 “**SUPPLEMENTAL NUTRITION ASSISTANCE PRO-**  
5 **GRAM**”.

6 (o) Section 4115(c)(2)(H) of the Food, Conservation,  
7 and Energy Act of 2008 (Public Law 110–246; 122 Stat.  
8 1871) is amended by striking “531” and inserting “454”.

9 (p) Section 3803(c)(2)(C)(vii) of title 31 of the  
10 United States Code is amended by striking “section 3(l)”  
11 each place it appears and inserting “section 3(s)”.

12 (q) Section 115 of the Personal Responsibility and  
13 Work Opportunity Reconciliation Act of 1996 (Public Law  
14 104–193) is amended—

15 (1) in subsection (a)(2) by striking “section  
16 3(l)” and inserting “section 3(s)”;

17 (2) in subsection (b)(2) by striking “section  
18 3(l)” and inserting “section 3(s)”;

19 (3) in subsection (e)(2) by striking “section  
20 3(l)” and inserting “section 3(s)”.

21 (r) The Agriculture and Consumer Protection Act of  
22 1973 (7 U.S.C. 612c) is amended—

23 (1) in section 4(a) by striking “Food Stamp  
24 Act of 1977” and inserting “Food and Nutrition Act  
25 of 2008”; and

1 (2) in section 5—

2 (A) in subsection (i)(1) by striking “Food  
3 Stamp Act of 1977” and inserting “Food and  
4 Nutrition Act of 2008”; and

5 (B) in subsection (l)(2)(B) by striking  
6 “Food Stamp Act of 1977” and inserting  
7 “Food and Nutrition Act of 2008”.

8 (s) The Social Security Act (42 U.S.C. 301 et seq.)  
9 is amended—

10 (1) in the heading of section 453(j)(10) by  
11 striking “FOOD STAMP” and inserting “SUPPLE-  
12 MENTAL NUTRITION ASSISTANCE”;

13 (2) in section 1137—

14 (A) in subsection (a)(5)(B) by striking  
15 “food stamp” and inserting “supplemental nu-  
16 trition assistance”; and

17 (B) in subsection (b)(4) by striking “food  
18 stamp program under the Food Stamp Act of  
19 1977” and inserting “supplemental nutrition  
20 assistance program under the Food and Nutri-  
21 tion Act of 2008”; and

22 (3) in the heading of section 1631(n) by strik-  
23 ing “FOOD STAMP” and inserting “SUPPLEMENTAL  
24 NUTRITION ASSISTANCE”.

1 **SEC. 4029. TOLERANCE LEVEL FOR EXCLUDING SMALL ER-**  
2 **RORS.**

3 The Secretary shall set the tolerance level for exclud-  
4 ing small errors for the purposes of section 16(c) of the  
5 Food and Nutrition Act of 2008 (7 U.S.C. 2025(c))—

6 (1) for fiscal year 2014 at an amount no great-  
7 er than \$25; and

8 (2) for each fiscal year thereafter, the amount  
9 specified in paragraph (1) adjusted by the percent-  
10 age by which the thrifty food plan is adjusted under  
11 section 3(u)(4) of such Act between June 30, 2012,  
12 and June 30 of the immediately preceding fiscal  
13 year.

14 **SEC. 4030. COMMONWEALTH OF THE NORTHERN MARIANA**  
15 **ISLANDS PILOT PROGRAM.**

16 (a) STUDY.—

17 (1) IN GENERAL.—Prior to establishing the  
18 pilot program under subsection (b), the Secretary  
19 shall conduct a study to be completed not later than  
20 2 years after the effective date of this section to as-  
21 sess—

22 (A) the capabilities of the Commonwealth  
23 of the Northern Mariana Islands to operate the  
24 supplemental nutrition assistance program in  
25 the same manner in which the program is oper-  
26 ated in the States (as defined in section 3 of

1 the Food and Nutrition Act (7 U.S.C. 2011 et  
2 seq)); and

3 (B) alternative models of the supplemental  
4 nutrition assistance program operation and ben-  
5 efit delivery that best meet the nutrition assist-  
6 ance needs of the Commonwealth of the North-  
7 ern Mariana Islands.

8 (2) SCOPE.—The study conducted under para-  
9 graph (1)(A) will assess the capability of the Com-  
10 monwealth to fulfill the responsibilities of a State  
11 agency, including—

12 (A) extending and limiting participation to  
13 eligible households, as prescribed by sections 5  
14 and 6 of the Act;

15 (B) issuing benefits through EBT cards,  
16 as prescribed by section 7 of the Act;

17 (C) maintaining the integrity of the pro-  
18 gram, including operation of a quality control  
19 system, as prescribed by section 16(c) of the  
20 Act;

21 (D) implementing work requirements, in-  
22 cluding operating an employment and training  
23 program, as prescribed by section 6(d) of the  
24 Act; and

1                   (E) paying a share of administrative costs  
2                   with non-Federal funds, as prescribed by sec-  
3                   tion 16(a) of the Act.

4           (b) ESTABLISHMENT.—If the Secretary determines  
5 that a pilot program is feasible, the Secretary shall estab-  
6 lish a pilot program for the Commonwealth of the North-  
7 ern Mariana Islands to operate the supplemental nutrition  
8 assistance program in the same manner in which the pro-  
9 gram is operated in the States.

10          (c) SCOPE.—The Secretary shall utilize the informa-  
11 tion obtained from the study conducted under subsection  
12 (a) to establish the scope of the pilot program established  
13 under subsection (b).

14          (d) REPORT.—Not later than June 30, 2019, the  
15 Secretary shall submit to the Committee on Agriculture  
16 of the House of Representatives and the Committee on  
17 Agriculture, Nutrition, and Forestry of the Senate a re-  
18 port on the pilot program carried out under this section,  
19 including an analysis of the feasibility of operating in the  
20 Commonwealth of the Northern Mariana Islands the sup-  
21 plemental nutrition assistance program as it is operated  
22 in the States.

23          (e) FUNDING.—

24               (1) STUDY.—Of the funds made available under  
25               section 18(a)(1) of the Food and Nutrition Act of

1       2008, the Secretary may use not more than  
2       \$1,000,000 in each of fiscal years 2014 and 2015 to  
3       conduct the study described in subsection (a).

4               (2) PILOT PROGRAM.—Of the funds made avail-  
5       able under section 18(a)(1) of the Food and Nutri-  
6       tion Act of 2008, for the purposes of establishing  
7       and carrying out the pilot program established under  
8       subsection (b) of this section, including the Federal  
9       costs for providing technical assistance to the Com-  
10      monwealth, authorizing and monitoring retail food  
11      stores, and assessing pilot operations, the Secretary  
12      may use not more than—

13                       (A) \$13,500,000 in fiscal year 2016; and

14                       (B) \$8,500,000 in each of fiscal years  
15                       2017 and 2018.

16 **SEC. 4031. ANNUAL STATE REPORT ON VERIFICATION OF**  
17 **SNAP PARTICIPATION.**

18       (a) ANNUAL REPORT.—Not later 1 year after the  
19      date specified by the Secretary in the 180-period begin-  
20      ning on the date of the enactment of this Act, and annu-  
21      ally thereafter, each State agency that carries out the sup-  
22      plemental nutrition assistance program shall submit to the  
23      Secretary a report containing sufficient information for  
24      the Secretary to determine whether the State agency has,  
25      for the then most recently concluded fiscal year preceding

1 such annual date, verified that households to which such  
2 State agency provided such assistance in such fiscal  
3 year—

4 (1) did not obtain benefits attributable to a de-  
5 ceased individual; and

6 (2) did not include an individual who was si-  
7 multaneously included in a household receiving such  
8 assistance in another State.

9 (b) PENALTY FOR NONCOMPLIANCE.—For any fiscal  
10 year for which a State agency fails to comply with sub-  
11 section (a), the Secretary shall reduce by 50 percent the  
12 amount otherwise payable to such State agency under sec-  
13 tion 16(a) of the Food and Nutrition Act of 2008 with  
14 respect to such fiscal year.

## 15 **Subtitle B—Commodity** 16 **Distribution Programs**

### 17 **SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.**

18 Section 4(a) of the Agriculture and Consumer Protec-  
19 tion Act of 1973 (7 U.S.C. 612c note; Public Law 93–  
20 86) is amended in the 1st sentence by striking “2012”  
21 and inserting “2018”.

### 22 **SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

23 Section 5 of the Agriculture and Consumer Protec-  
24 tion Act of 1973 (7 U.S.C. 612c note; Public Law 93–  
25 86) is amended—

1           (1) in paragraphs (1) and (2)(B) of subsection  
2           (a) by striking “2012” each place it appears and in-  
3           serting “2018”;

4           (2) in the 1st sentence of subsection (d)(2) by  
5           striking “2012” and inserting “2018”;

6           (3) by striking subsection (g) and inserting the  
7           following:

8           “(g) ELIGIBILITY.—Except as provided in subsection  
9           (m), the States shall only provide assistance under the  
10          commodity supplemental food program to low-income indi-  
11          viduals aged 60 and older.”; and

12          (4) by adding at the end the following:

13          “(m) PHASE-OUT.—Notwithstanding any other provi-  
14          sion of law, an individual who receives assistance under  
15          the commodity supplemental food program on the day be-  
16          fore the effective date of this subsection shall continue to  
17          receive that assistance until the date on which the indi-  
18          vidual no longer qualifies for assistance under the eligi-  
19          bility criteria for the program in effect on the day before  
20          the effective date of this subsection.”.

21       **SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO**  
22                               **SPECIAL NUTRITION PROJECTS.**

23          Section 1114(a)(2)(A) of the Agriculture and Food  
24          Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended in the  
25          1st sentence by striking “2012” and inserting “2018”.

1 **SEC. 4104. PROCESSING OF COMMODITIES.**

2 (a) Section 17 of the Commodity Distribution Reform  
3 Act and WIC Amendments of 1987 (7 U.S.C. 612c note)  
4 is amended by—

5 (1) striking the heading and inserting “**COM-**  
6 **MODITY DONATIONS AND PROCESSING**”; and

7 (2) adding at the end the following:

8 “(c) **PROCESSING.**—For any program included in  
9 subsection (b), the Secretary may, notwithstanding any  
10 other provision of State or Federal law relating to the pro-  
11 curement of goods and services—

12 “(1) retain title to commodities delivered to a  
13 processor, on behalf of a State (including a State  
14 distributing agency and a recipient agency), until  
15 such time as end products containing such commod-  
16 ities, or similar commodities as approved by the Sec-  
17 retary, are delivered to a State distributing agency  
18 or to a recipient agency; and

19 “(2) promulgate regulations to ensure account-  
20 ability for commodities provided to a processor for  
21 processing into end products, and to facilitate proc-  
22 essing of commodities into end products for use by  
23 recipient agencies. Such regulations may provide  
24 that—

25 “(A) a processor that receives commodities  
26 for processing into end products, or provides a

1 service with respect to such commodities or end  
2 products, in accordance with its agreement with  
3 a State distributing agency or a recipient agen-  
4 cy, provide to the Secretary a bond or other  
5 means of financial assurance to protect the  
6 value of such commodities; and

7 “(B) in the event a processor fails to de-  
8 liver to a State distributing agency or a recipi-  
9 ent agency an end product in conformance with  
10 the processing agreement entered into under  
11 this Act, the Secretary take action with respect  
12 to the bond or other means of financial assur-  
13 ance pursuant to regulations promulgated  
14 under this paragraph and distribute any pro-  
15 ceeds obtained by the Secretary to one or more  
16 State distributing agencies and recipient agen-  
17 cies as determined appropriate by the Sec-  
18 retary.”.

19 (b) DEFINITIONS.—Section 18 of the Commodity  
20 Distribution Reform Act and WIC Amendments of 1987  
21 (7 U.S.C. 612c note) is amended by striking paragraphs  
22 (1) and (2) and inserting the following:

23 “(1) The term ‘commodities’ means agricultural  
24 commodities and their products that are donated by  
25 the Secretary for use by recipient agencies.

1           “(2) The term ‘end product’ means a food  
2           product that contains processed commodities.”.

3           (c) TECHNICAL AND CONFORMING AMENDMENTS.—

4           Section 3 of the Commodity Distribution Reform Act and  
5           WIC Amendments of 1987 (7 U.S.C. 612e note; Public  
6           Law 100–237) is amended—

7           (1) in subsection (a)—

8           (A) in paragraph (2) by striking subpara-  
9           graph (B) and inserting the following:

10           “(B) the program established under sec-  
11           tion 4(b) of the Food and Nutrition Act of  
12           2008 (7 U.S.C. 2013(b));”; and

13           (B) in paragraph (3)(D) by striking “the  
14           Committee on Education and Labor” and in-  
15           serting “the Committee on Education and the  
16           Workforce”;

17           (2) in subsection (b)(1)(A)(ii) by striking “sec-  
18           tion 32 of the Agricultural Adjustment Act (7  
19           U.S.C. 601 et seq.)” and inserting “section 32 of  
20           the Act of August 24, 1935 (7 U.S.C. 612e)”;

21           (3) in subsection (e)(1)(D)(iii) by striking sub-  
22           clause (II) and inserting the following:

23           “(II) the program established  
24           under section 4(b) of the Food and

1 Nutrition Act of 2008 (7 U.S.C.  
2 2013(b));” and

3 (4) in subsection (k) by striking “the Com-  
4 mittee on Education and Labor” and inserting “the  
5 Committee on Education and the Workforce”.

## 6 **Subtitle C—Miscellaneous**

### 7 **SEC. 4201. FARMERS’ MARKET NUTRITION PROGRAM.**

8 Section 4402 of the Farm Security and Rural Invest-  
9 ment Act of 2002 (7 U.S.C. 3007) is amended—

10 (1) in the section heading by striking “**SEN-**  
11 **IORES**”;

12 (2) by amending subsection (a) to read as fol-  
13 lows:

14 “(a) FUNDING.—

15 “(1) IN GENERAL.—Of the funds of the Com-  
16 modity Credit Corporation, the Secretary of Agri-  
17 culture shall use to carry out and expand the farm-  
18 ers market nutrition program \$20,600,000 for each  
19 of fiscal years 2014 through 2018.

20 “(2) ADDITIONAL FUNDING.—There is author-  
21 ized to be appropriated such sums as are necessary  
22 to carry out this subsection for each of the fiscal  
23 years specified in paragraph (1).”;

24 (3) in subsection (b)—

1 (A) in the matter preceding paragraph (1),  
2 by striking “seniors”; and

3 (B) in paragraph (1) by inserting “, and  
4 low-income families who are determined to be at  
5 nutritional risk” after “low-income seniors”;

6 (4) in subsection (c) by striking “seniors”;

7 (5) in subsection (d) by striking “seniors”;

8 (6) in subsection (e) by striking “seniors”;

9 (7) by redesignating subsections (c), (d), (e),  
10 and (f) as subsections (d), (e), (f), and (g), respec-  
11 tively; and

12 (8) by inserting after subsection (b) the fol-  
13 lowing:

14 “(c) STATE GRANTS AND OTHER ASSISTANCE.—The  
15 Secretary shall carry out the Program through grants and  
16 other assistance provided in accordance with agreements  
17 made with States, for implementation through State agen-  
18 cies and local agencies, that include provisions—

19 “(1) for the issuance of coupons or vouchers to  
20 participating individuals;

21 “(2) establishing an appropriate annual per-  
22 centage limitation on the use of funds for adminis-  
23 trative costs; and

24 “(3) specifying other terms and conditions as  
25 the Secretary deems appropriate to encourage ex-

1           panding the participation of small scale farmers in  
2           Federal nutrition programs.”.

3   **SEC. 4202. NUTRITION INFORMATION AND AWARENESS**  
4                           **PILOT PROGRAM.**

5           Section 4403 of the Farm Security and Rural Invest-  
6   ment Act of 2002 (7 U.S.C. 3171 note; Public Law 107-  
7   171) is repealed.

8   **SEC. 4203. FRESH FRUIT AND VEGETABLE PROGRAM.**

9           Section 19 of the Richard B. Russell National School  
10   Lunch Act (42 U.S.C. 1769a) is amended—

11           (1) in the section heading, by striking  
12           **“FRESH”**;

13           (2) in subsection (a), by striking “fresh”;

14           (3) in subsection (b), by striking “fresh”; and

15           (4) in subsection (e), by striking “fresh”.

16   **SEC. 4204. ADDITIONAL AUTHORITY FOR PURCHASE OF**  
17                           **FRESH FRUITS, VEGETABLES, AND OTHER**  
18                           **SPECIALTY FOOD CROPS.**

19           Section 10603 of the Farm Security and Rural In-  
20   vestment Act of 2002 (7 U.S.C. 612c-4) is amended—

21           (1) in subsection (b), by striking “2012” and  
22           inserting “2018”;

23           (2) by redesignating subsection (c) as sub-  
24           section (d); and

1           (3) by inserting after subsection (b) the fol-  
2           lowing new subsection:

3           “(c) PILOT GRANT PROGRAM FOR PURCHASE OF  
4 FRESH FRUITS AND VEGETABLES.—

5           “(1) IN GENERAL.—Using amounts made avail-  
6           able to carry out subsection (b), the Secretary of Ag-  
7           riculture shall conduct a pilot program under which  
8           the Secretary will give not more than five partici-  
9           pating States the option of receiving a grant in an  
10          amount equal to the value of the commodities that  
11          the participating State would otherwise receive  
12          under this section for each of fiscal years 2014  
13          through 2018.

14          “(2) USE OF GRANT FUNDS.—A participating  
15          State receiving a grant under this subsection may  
16          use the grant funds solely to purchase fresh fruits  
17          and vegetables for distribution to schools and service  
18          institutions in the State that participate in the food  
19          service programs under the Richard B. Russell Na-  
20          tional School Lunch Act (42 U.S.C. 1751 et seq.)  
21          and the Child Nutrition Act of 1966 (42 U.S.C.  
22          1771 et seq.).

23          “(3) SELECTION OF PARTICIPATING STATES.—  
24          The Secretary shall select participating States from  
25          applications submitted by the States.

1           “(4) REPORTING REQUIREMENTS.—

2                   “(A) SCHOOL AND SERVICE INSTITUTION  
3           REQUIREMENT.—Schools and service institu-  
4           tions in a participating State shall keep records  
5           of purchases of fresh fruits and vegetables  
6           made using the grant funds and report such  
7           records to the State.

8                   “(B) STATE REQUIREMENT.—Each par-  
9           ticipating State shall submit to the Secretary a  
10          report on the success of the pilot program in  
11          the State, including information on—

12                   “(i) the amount and value of each  
13           type of fresh fruit and vegetable purchased  
14           by the State; and

15                   “(ii) the benefit provided by such pur-  
16           chases in conducting the school food serv-  
17           ice in the State, including meeting school  
18           meal requirements.”.

19   **SEC. 4205. ENCOURAGING LOCALLY AND REGIONALLY**  
20                   **GROWN AND RAISED FOOD.**

21           (a) COMMODITY PURCHASE STREAMLINING.—The  
22   Secretary may permit each school food authority with a  
23   low annual commodity entitlement value, as determined by  
24   the Secretary, to elect to substitute locally and regionally  
25   grown and raised food for the authority’s allotment, in

1 whole or in part, of commodity assistance for the school  
2 meal programs under the Richard B. Russell National  
3 School Lunch Act (42 U.S.C. 1751 et seq.) and the Child  
4 Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), if—

5 (1) the election is requested by the school food  
6 authority;

7 (2) the Secretary determines that the election  
8 will reduce State and Federal administrative costs;  
9 and

10 (3) the election will provide the school food au-  
11 thority with greater flexibility to purchase locally  
12 and regionally grown and raised foods.

13 (b) FARM-TO-SCHOOL DEMONSTRATION PRO-  
14 GRAMS.—

15 (1) IN GENERAL.—The Secretary may establish  
16 farm-to-school demonstration programs under which  
17 school food authorities, agricultural producers pro-  
18 ducing for local and regional markets, and other  
19 farm-to-school stakeholders will collaborate with the  
20 Agriculture Marketing Service to, on a cost neutral  
21 basis, source food for the school meal programs  
22 under the Richard B. Russell National School Lunch  
23 Act (42 U.S.C. 1751 et seq.) and the Child Nutri-  
24 tion Act of 1966 (42 U.S.C. 1771 et seq.) from local  
25 farmers and ranchers in lieu of the commodity as-

1           sistance provided to the school food authorities for  
2           the school meal programs.

3           (2) REQUIREMENTS.—

4           (A) IN GENERAL.—Each demonstration  
5           program carried out under this subsection  
6           shall—

7                   (i) facilitate and increase the purchase  
8                   of unprocessed and minimally processed lo-  
9                   cally and regionally grown and raised agri-  
10                  cultural products to be served under the  
11                  school meal programs;

12                  (ii) test methods to improve procure-  
13                  ment, transportation, and meal preparation  
14                  processes for the school meal programs;

15                  (iii) assess whether administrative  
16                  costs can be saved through increased  
17                  school food authority flexibility to source  
18                  locally and regionally produced foods for  
19                  the school meal programs; and

20                  (iv) undertake rigorous evaluation and  
21                  share information about results of the  
22                  demonstration program, including cost sav-  
23                  ings, with the Secretary, other school food  
24                  authorities, agricultural producers pro-

1           ducing for the local and regional market,  
2           and the general public.

3           (B) PLANS.—In order to be selected to  
4           carry out a demonstration program under this  
5           subsection, a school food authority shall submit  
6           to the Secretary a plan at such time and in  
7           such manner as the Secretary may require, and  
8           containing information with respect to the re-  
9           quirements described in clauses (i) through (iv)  
10          of subparagraph (A).

11          (3) TECHNICAL ASSISTANCE.—The Secretary  
12          shall provide technical assistance to demonstration  
13          program participants to assist such participants to  
14          acquire bids from potential vendors in a timely and  
15          cost-effective manner.

16          (4) LENGTH.—The Secretary shall determine  
17          the appropriate length of time for each demonstra-  
18          tion program under this subsection.

19          (5) COORDINATION.—The Secretary shall co-  
20          ordinate among relevant agencies of the Department  
21          of Agriculture and non-governmental organizations  
22          with appropriate expertise to facilitate the provision  
23          of training and technical assistance necessary to suc-  
24          cessfully carry out demonstration programs under  
25          this subsection.

1           (6) NUMBER.—Subject to the availability of  
2 funds to carry out this subsection, the Secretary  
3 shall select at least 10 demonstration programs to  
4 be carried out under this subsection.

5           (7) DIVERSITY AND BALANCE.—In selecting  
6 demonstration programs to be carried out under this  
7 subsection, the Secretary shall, to the maximum ex-  
8 tent practicable, ensure—

9                   (A) geographical diversity;

10                   (B) that at least half of the demonstration  
11 programs are completed in collaboration with  
12 school food authorities with small annual com-  
13 modity entitlements, as determined by the Sec-  
14 retary;

15                   (C) that at least half of the demonstration  
16 programs are completed in rural or tribal com-  
17 munities;

18                   (D) equitable treatment of school food au-  
19 thorities with a high percentage of students eli-  
20 gible for free or reduced price lunches, as deter-  
21 mined by the Secretary; and

22                   (E) that at least one of the demonstration  
23 programs is completed on a military installation  
24 as defined in section 2687(e)(1) of title 10,  
25 United States Code.

1                                   **TITLE V—CREDIT**  
2   **Subtitle A—Farm Ownership Loans**

3   **SEC. 5001. ELIGIBILITY FOR FARM OWNERSHIP LOANS.**

4           (a) IN GENERAL.—Section 302(a) of the Consoli-  
5 dated Farm and Rural Development Act (7 U.S.C.  
6 1922(a)) is amended—

7                   (1) by striking “(a) IN GENERAL.—The” and  
8                   inserting the following:

9                   “(a) IN GENERAL.—

10                           “(1) ELIGIBILITY REQUIREMENTS.—The”;

11                           (2) in the 1st sentence, by inserting after “lim-  
12 ited liability companies” the following: “, and such  
13 other legal entities as the Secretary deems appro-  
14 priate,”;

15                           (3) in the 2nd sentence, by redesignating  
16 clauses (1) through (4) as clauses (A) through (D),  
17 respectively;

18                           (4) in each of the 2nd and 3rd sentences, by  
19 striking “and limited liability companies” each place  
20 it appears and inserting “limited liability companies,  
21 and such other legal entities”;

22                           (5) in the 3rd sentence, by striking “(3)” and  
23 “(4)” and inserting “(C)” and “(D)”, respectively;  
24 and

25                           (6) by adding at the end the following:

1 “(2) SPECIAL DEEMING RULES.—

2 “(A) ELIGIBILITY OF CERTAIN OPER-  
3 ATING-ONLY ENTITIES.—An entity that is or  
4 will become only the operator of a family farm  
5 is deemed to meet the owner-operator require-  
6 ments of paragraph (1) if the individuals that  
7 are the owners of the family farm own more  
8 than 50 percent (or such other percentage as  
9 the Secretary determines is appropriate) of the  
10 entity.

11 “(B) ELIGIBILITY OF CERTAIN EMBEDDED  
12 ENTITIES.—An entity that is an owner-operator  
13 described in paragraph (1), or an operator de-  
14 scribed in subparagraph (A) of this paragraph  
15 that is owned, in whole or in part, by other en-  
16 tities, is deemed to meet the direct ownership  
17 requirement imposed under paragraph (1) if at  
18 least 75 percent of the ownership interests of  
19 each embedded entity of such entity is owned  
20 directly or indirectly by the individuals that own  
21 the family farm.”.

22 (b) DIRECT FARM OWNERSHIP EXPERIENCE RE-  
23 QUIREMENT.—Section 302(b)(1) of such Act (7 U.S.C.  
24 1922(b)(1)) is amended by inserting “or has other accept-

1 able experience for a period of time, as determined by the  
2 Secretary,” after “3 years”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) Section 304(c)(2) of such Act (7 U.S.C.  
5 1924(c)(2)) by striking “paragraphs (1) and (2) of  
6 section 302(a)” and inserting “clauses (A) and (B)  
7 of section 302(a)(1)”.

8 (2) Section 310D of such Act (7 U.S.C. 1934)  
9 is amended—

10 (A) by inserting after “partnership” the  
11 following: “, or such other legal entities as the  
12 Secretary deems appropriate,”; and

13 (B) by striking “or partners” each place it  
14 appears and inserting “partners, or owners”.

15 **SEC. 5002. CONSERVATION LOAN AND LOAN GUARANTEE**  
16 **PROGRAM.**

17 (a) ELIGIBILITY.—Section 304(c) of the Consolidated  
18 Farm and Rural Development Act (7 U.S.C. 1924(c)) is  
19 amended by inserting after “limited liability companies”  
20 the following: “, or such other legal entities as the Sec-  
21 retary deems appropriate,”.

22 (b) LIMITATION ON LOAN GUARANTEE AMOUNT.—  
23 Section 304(e) of such Act (7 U.S.C. 1924(e)) is amended  
24 by striking “75 percent” and inserting “90 percent”.

1 (c) EXTENSION OF PROGRAM.—Section 304(h) of  
2 such Act (7 U.S.C. 1924(h)) is amended by striking  
3 “2012” and inserting “2018”.

4 **SEC. 5003. DOWN PAYMENT LOAN PROGRAM.**

5 (a) IN GENERAL.—Section 310E(b)(1)(C) of the  
6 Consolidated Farm and Rural Development Act (7 U.S.C.  
7 1935(b)(1)(C)) is amended by striking “\$500,000” and  
8 inserting “\$667,000”.

9 (b) TECHNICAL CORRECTION.—Section 310E(b) of  
10 such Act (7 U.S.C. 1935(b)) is amended by striking the  
11 2nd paragraph (2).

12 **SEC. 5004. ELIMINATION OF MINERAL RIGHTS APPRAISAL**  
13 **REQUIREMENT.**

14 Section 307 of the Consolidated Farm and Rural De-  
15 velopment Act (7 U.S.C. 1927) is amended by striking  
16 subsection (d) and redesignating subsection (e) as sub-  
17 section (d).

18 **Subtitle B—Operating Loans**

19 **SEC. 5101. ELIGIBILITY FOR FARM OPERATING LOANS.**

20 Section 311(a) of the Consolidated Farm and Rural  
21 Development Act (7 U.S.C. 1941(a)) is amended—

22 (1) by striking “(a) IN GENERAL.—The” and  
23 inserting the following:

24 “(a) IN GENERAL.—

25 “(1) ELIGIBILITY REQUIREMENTS.—The”;

1           (2) in the 1st sentence, by inserting after “lim-  
2           ited liability companies” the following: “, and such  
3           other legal entities as the Secretary deems appro-  
4           priate,”;

5           (3) in the 2nd sentence, by redesignating  
6           clauses (1) through (4) as clauses (A) through (D),  
7           respectively;

8           (4) in each of the 2nd and 3rd sentences, by  
9           striking “and limited liability companies” each place  
10          it appears and inserting “limited liability companies,  
11          and such other legal entities”;

12          (5) in the 3rd sentence, by striking “(3)” and  
13          “(4)” and inserting “(C)” and “(D)”, respectively;  
14          and

15          (6) by adding at the end the following:

16          “(2) SPECIAL DEEMING RULE.—An entity that  
17          is an operator described in paragraph (1) that is  
18          owned, in whole or in part, by other entities, is  
19          deemed to meet the direct ownership requirement  
20          imposed under paragraph (1) if at least 75 percent  
21          of the ownership interests of each embedded entity  
22          of such entity is owned directly or indirectly by the  
23          individuals that own the family farm.”.

1 **SEC. 5102. ELIMINATION OF RURAL RESIDENCY REQUIRE-**  
2 **MENT FOR OPERATING LOANS TO YOUTH.**

3 Section 311(b)(1) of the Consolidated Farm and  
4 Rural Development Act (7 U.S.C. 1941(b)(1)) is amended  
5 by striking “who are rural residents”.

6 **SEC. 5103. AUTHORITY TO WAIVE PERSONAL LIABILITY**  
7 **FOR YOUTH LOANS DUE TO CIRCUMSTANCES**  
8 **BEYOND BORROWER CONTROL.**

9 Section 311(b) of the Consolidated Farm and Rural  
10 Development Act (7 U.S.C. 1941(b)) is amended by add-  
11 ing at the end the following:

12 “(5) The Secretary may, on a case by case basis,  
13 waive the personal liability of a borrower for a loan made  
14 under this subsection if any default on the loan was due  
15 to circumstances beyond the control of the borrower.”.

16 **SEC. 5104. MICROLOANS.**

17 (a) **IN GENERAL.**—Section 313 of the Consolidated  
18 Farm and Rural Development Act (7 U.S.C. 1943) is  
19 amended by adding at the end the following:

20 “(c) **MICROLOANS.**—

21 “(1) **IN GENERAL.**—Subject to paragraph (2),  
22 the Secretary may establish a program to make or  
23 guarantee microloans.

24 “(2) **LIMITATION.**—The Secretary shall not  
25 make or guarantee a microloan under this sub-  
26 section that exceeds \$35,000 or that would cause the

1 total principal indebtedness outstanding at any 1  
2 time for microloans made under this chapter to any  
3 1 borrower to exceed \$70,000.

4 “(3) APPLICATIONS.—To the maximum extent  
5 practicable, the Secretary shall limit the administra-  
6 tive burdens and streamline the application and ap-  
7 proval process for microloans under this subsection.

8 “(4) COOPERATIVE LENDING PROJECTS.—

9 “(A) IN GENERAL.—Subject to subpara-  
10 graph (B), the Secretary may contract with  
11 community-based and nongovernmental organi-  
12 zations, State entities, or other intermediaries,  
13 as the Secretary determines appropriate—

14 “(i) to make or guarantee a microloan  
15 under this subsection; and

16 “(ii) to provide business, financial,  
17 marketing, and credit management services  
18 to borrowers.

19 “(B) REQUIREMENTS.—Before contracting  
20 with an entity described in subparagraph (A),  
21 the Secretary—

22 “(i) shall review and approve—

23 “(I) the loan loss reserve fund  
24 for microloans established by the enti-  
25 ty; and

1                   “(II) the underwriting standards  
2                   for microloans of the entity; and  
3                   “(ii) establish such other requirements  
4                   for contracting with the entity as the Sec-  
5                   retary determines necessary.”.

6           (b) EXCEPTIONS FOR DIRECT LOANS.—Section  
7 311(c)(2) of such Act (7 U.S.C. 1941(c)(2)) is amended  
8 to read as follows:

9                   “(2) EXCEPTIONS.—In this subsection, the  
10 term ‘direct operating loan’ shall not include—

11                   “(A) a loan made to a youth under sub-  
12 section (b); or

13                   “(B) a microloan made to a beginning  
14 farmer or rancher or a veteran farmer or ranch-  
15 er (as defined in section 2501(e) of the Food,  
16 Agriculture, Conservation, and Trade Act of  
17 1990 (7 U.S.C. 2279(e)).”.

18           (c) Section 312(a) of such Act (7 U.S.C. 1942(a))  
19 is amended by inserting “(including a microloan, as de-  
20 fined by the Secretary)” after “A direct loan”.

21           (d) Section 316(a)(2) of such Act (7 U.S.C.  
22 1946(a)(2)) is amended by inserting “a microloan to a be-  
23 ginning farmer or rancher or veteran farmer or rancher  
24 (as defined in section 2501(e) of the Food, Agriculture,

1 Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))  
2 or” after “The interest rate on”.

### 3 **Subtitle C—Emergency Loans**

#### 4 **SEC. 5201. ELIGIBILITY FOR EMERGENCY LOANS.**

5 Section 321(a) of the Consolidated Farm and Rural  
6 Development Act (7 U.S.C. 1961(a)) is amended—

7 (1) by striking “owner-operators (in the case of  
8 loans for a purpose under subtitle A) or operators  
9 (in the case of loans for a purpose under subtitle  
10 B)” each place it appears and inserting “(in the  
11 case of farm ownership loans in accordance with  
12 subtitle A) owner-operators or operators, or (in the  
13 case of loans for a purpose under subtitle B) opera-  
14 tors”;

15 (2) by inserting after “limited liability compa-  
16 nies” the 1st place it appears the following: “, or  
17 such other legal entities as the Secretary deems ap-  
18 propriate”; and

19 (3) by inserting after “limited liability compa-  
20 nies” the 2nd place it appears the following: “, or  
21 other legal entities”;

22 (4) by striking “and limited liability compa-  
23 nies,” and inserting “limited liability companies, and  
24 such other legal entities”;

1 (5) by striking “ownership and operator” and  
2 inserting “ownership or operator”; and

3 (6) by adding at the end the following: “An en-  
4 tity that is an owner-operator or operator described  
5 in this subsection is deemed to meet the direct own-  
6 ership requirement imposed under this subsection if  
7 at least 75 percent of the ownership interests of  
8 each embedded entity of such entity is owned di-  
9 rectly or indirectly by the individuals that own the  
10 family farm.”.

## 11 **Subtitle D—Administrative** 12 **Provisions**

### 13 **SEC. 5301. BEGINNING FARMER AND RANCHER INDIVIDUAL** 14 **DEVELOPMENT ACCOUNTS PILOT PROGRAM.**

15 Section 333B(h) of the Consolidated Farm and Rural  
16 Development Act (7 U.S.C. 1983b(h)) is amended by  
17 striking “2012” and inserting “2018”.

### 18 **SEC. 5302. ELIGIBLE BEGINNING FARMERS AND RANCH-** 19 **ERS.**

20 (a) CONFORMING AMENDMENTS RELATING TO  
21 CHANGES IN ELIGIBILITY RULES.—Section 343(a)(11) of  
22 such Act (7 U.S.C. 1991(a)(11)) is amended—

23 (1) by inserting after “joint operation,” the 1st  
24 place it appears the following: “or such other legal  
25 entity as the Secretary deems appropriate,”;



1 down payment loan program  
2 under section 310E or joint fi-  
3 nancing arrangements under sec-  
4 tion 307(a)(3)(D); and

5 “(bb) may offer other fi-  
6 nancing options under this sub-  
7 title to applicants only if the Sec-  
8 retary determines that down pay-  
9 ment or other participation loan  
10 options are not a viable approach  
11 for the applicants.”.

12 **SEC. 5305. LOAN FUND SET-ASIDES.**

13 Section 346(b)(2)(A)(ii)(III) of the Consolidated  
14 Farm and Rural Development Act (7 U.S.C.  
15 1994(b)(2)(A)(ii)(III)) is amended—

16 (1) by striking “2012” and inserting “2018”;

17 and

18 (2) by striking “of the total amount”.

19 **SEC. 5306. CONFORMING AMENDMENT TO BORROWER**  
20 **TRAINING PROVISION, RELATING TO ELIGI-**  
21 **BILITY CHANGES.**

22 Section 359(c)(2) of the Consolidated Farm and  
23 Rural Development Act (7 U.S.C. 2006a(c)(2)) is amend-  
24 ed by striking “section 302(a)(2) or 311(a)(2)” and in-  
25 serting “section 302(a)(1)(B) or 311(a)(1)(B)”.

1           **Subtitle E—State Agricultural**  
2                           **Mediation Programs**

3   **SEC. 5401. STATE AGRICULTURAL MEDIATION PROGRAMS.**

4           Section 506 of the Agricultural Credit Act of 1987  
5 (7 U.S.C. 5106) is amended by striking “2015” and in-  
6 serting “2018”.

7           **Subtitle F—Loans to Purchasers of**  
8                           **Highly Fractionated Land**

9   **SEC. 5501. LOANS TO PURCHASERS OF HIGHLY**  
10                           **FRACTIONATED LAND.**

11           The first section of Public Law 91–229 (25 U.S.C.  
12 488) is amended in subsection (b)(1) by striking “pursu-  
13 ant to section 205(c) of the Indian Land Consolidation  
14 Act (25 U.S.C. 2204(c))” and inserting “or to inter-  
15 mediaries in order to establish revolving loan funds for the  
16 purchase of highly fractionated land”.

17                           **TITLE VI—RURAL**  
18                           **DEVELOPMENT**

19           **Subtitle A—Consolidated Farm and**  
20                           **Rural Development Act**

21   **SEC. 6001. WATER, WASTE DISPOSAL, AND WASTEWATER**  
22                           **FACILITY GRANTS.**

23           Section 306(a)(2)(B)(vii) of the Consolidated Farm  
24 and Rural Development Act (7 U.S.C. 1926(a)(2)(B)(vii))  
25 by striking “\$30,000,000 for each of fiscal years 2008

1 through 2012” and inserting “\$15,000,000 for each of fis-  
2 cal years 2014 through 2018”.

3 **SEC. 6002. RURAL BUSINESS OPPORTUNITY GRANTS.**

4 Section 306(a)(11)(D) of the Consolidated Farm and  
5 Rural Development Act (7 U.S.C. 1926(a)(11)(D)) is  
6 amended by striking “\$15,000,000 for each of fiscal years  
7 2008 through 2012” and inserting “\$15,000,000 for each  
8 of fiscal years 2014 through 2018”.

9 **SEC. 6003. ELIMINATION OF RESERVATION OF COMMUNITY**  
10 **FACILITIES GRANT PROGRAM FUNDS.**

11 Section 306(a)(19) of the Consolidated Farm and  
12 Rural Development Act (7 U.S.C. 1926(a)(19)) is amend-  
13 ed by striking subparagraph (C).

14 **SEC. 6004. UTILIZATION OF LOAN GUARANTEES FOR COM-**  
15 **MUNITY FACILITIES.**

16 Section 306(a)(24) of the Consolidated Farm and  
17 Rural Development Act (7 U.S.C. 1926(a)(24)) is amend-  
18 ed by adding at the end the following:

19 “(C) UTILIZATION OF LOAN GUARANTEES  
20 FOR COMMUNITY FACILITIES.—The Secretary  
21 shall consider the benefits to communities that  
22 result from using loan guarantees in the Com-  
23 munity Facilities Program and to the maximum  
24 extent possible utilize guarantees to enhance  
25 community involvement.”.

1 **SEC. 6005. RURAL WATER AND WASTEWATER CIRCUIT**  
2 **RIDER PROGRAM.**

3 Section 306(a)(22) of the Consolidated Farm and  
4 Rural Development Act (7 U.S.C. 1926(a)(22)) is amend-  
5 ed to read as follows:

6 “(22) RURAL WATER AND WASTEWATER CIR-  
7 CUIT RIDER PROGRAM.—

8 “(A) IN GENERAL.—The Secretary shall  
9 continue a national rural water and wastewater  
10 circuit rider program that—

11 “(i) is consistent with the activities  
12 and results of the program conducted be-  
13 fore the date of enactment of this para-  
14 graph, as determined by the Secretary; and

15 “(ii) receives funding from the Sec-  
16 retary, acting through the Rural Utilities  
17 Service.

18 “(B) AUTHORIZATION OF APPROPRIA-  
19 TIONS.—There is authorized to be appropriated  
20 to carry out this paragraph \$20,000,000 for fis-  
21 cal year 2014 and each fiscal year thereafter.”.

22 **SEC. 6006. TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL**  
23 **COMMUNITY FACILITIES.**

24 Section 306(a)(25)(C) of the Consolidated Farm and  
25 Rural Development Act (7 U.S.C. 1926(a)(25)(C)) is  
26 amended by striking “\$10,000,000 for each of fiscal years

1 2008 through 2012” and inserting “\$5,000,000 for each  
2 of fiscal years 2014 through 2018”.

3 **SEC. 6007. EMERGENCY AND IMMINENT COMMUNITY**  
4 **WATER ASSISTANCE GRANT PROGRAM.**

5 Section 306A(i)(2) of the Consolidated Farm and  
6 Rural Development Act (7 U.S.C. 1926a(i)(2)) is amended  
7 by striking “\$35,000,000 for each of fiscal years 2008  
8 through 2012” and inserting “\$27,000,000 for each of fis-  
9 cal years 2014 through 2018”.

10 **SEC. 6008. HOUSEHOLD WATER WELL SYSTEMS.**

11 Section 306E(d) of the Consolidated Farm and Rural  
12 Development Act (7 U.S.C. 1926e(d)) is amended by  
13 striking “\$10,000,000 for each of fiscal years 2008  
14 through 2012” and inserting “\$5,000,000 for each of fis-  
15 cal years 2014 through 2018”.

16 **SEC. 6009. RURAL BUSINESS AND INDUSTRY LOAN PRO-**  
17 **GRAM.**

18 (a) FLEXIBILITY FOR THE BUSINESS AND LOAN  
19 PROGRAM.—Section 310B(a)(2)(A) of the Consolidated  
20 Farm and Rural Development Act (7 U.S.C.  
21 1932(a)(2)(A)) is amended by inserting “including work-  
22 ing capital” after “employment”.

23 (b) GREATER FLEXIBILITY FOR ADEQUATE COLLAT-  
24 ERAL THROUGH ACCOUNTS RECEIVABLE.—Section  
25 310B(g)(7) of such Act (7 U.S.C. 1932(g)(7)) is amended

1 by adding at the end the following: “In the discretion of  
2 the Secretary, if the Secretary determines that the action  
3 would not create or otherwise contribute to an unreason-  
4 able risk of default or loss to the Federal Government,  
5 the Secretary may take account receivables as security for  
6 the obligations entered into in connection with loans and  
7 a borrower may use account receivables as collateral to  
8 secure a loan made or guaranteed under this subsection.”.

9 (c) REGULATIONS.—Not later than 6 months after  
10 the date of the enactment of this Act, the Secretary shall  
11 promulgate such regulations as are necessary to imple-  
12 ment the amendments made by this section.

13 **SEC. 6010. RURAL COOPERATIVE DEVELOPMENT GRANTS.**

14 Section 310B(e)(12) of the Consolidated Farm and  
15 Rural Development Act (7 U.S.C. 1932(e)(12)) is amend-  
16 ed by striking “\$50,000,000 for each of fiscal years 2008  
17 through 2012” and inserting “\$40,000,000 for each of fis-  
18 cal years 2014 through 2018”.

19 **SEC. 6011. LOCALLY OR REGIONALLY PRODUCED AGRICUL-**  
20 **TURAL FOOD PRODUCTS.**

21 Section 310B(g)(9)(B)(v)(I) of the Consolidated  
22 Farm and Rural Development Act (7 U.S.C.  
23 1932(g)(9)(B)(v)(I)) is amended—

24 (1) by striking “2012” and inserting “2018”;  
25 and

1           (2) by inserting “and not more than 7 percent”  
2           after “5 percent”.

3 **SEC. 6012. INTERMEDIARY RELENDING PROGRAM.**

4           (a) IN GENERAL.—Subtitle A of the Consolidated  
5 Farm and Rural Development Act (7 U.S.C. 1922–1936a)  
6 is amended by adding at the end the following:

7 **“SEC. 310H. INTERMEDIARY RELENDING PROGRAM.**

8           “(a) IN GENERAL.—The Secretary shall make loans  
9 to the entities, for the purposes, and subject to the terms  
10 and conditions specified in the 1st, 2nd, and last sentences  
11 of section 623(a) of the Community Economic Develop-  
12 ment Act of 1981 (42 U.S.C. 9812(a)).

13           “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-  
14 PRIATIONS.—For loans under subsection (a), there are au-  
15 thorized to be appropriated to the Secretary not more than  
16 \$10,000,000 for each of fiscal years 2014 through 2018.”.

17           (b) CONFORMING AMENDMENTS.—Section  
18 1323(b)(2) of the Food Security Act of 1985 (Public Law  
19 99–198; 7 U.S.C. 1932 note) is amended—

20           (1) in subparagraph (A), by adding “and” at  
21 the end;

22           (2) in subparagraph (B), by striking “; and”  
23 and inserting a period; and

24           (3) by striking subparagraph (C).

1 **SEC. 6013. RURAL WATER AND WASTE DISPOSAL INFRA-**  
2 **STRUCTURE.**

3 Section 333 of the Consolidated Farm and Rural De-  
4 velopment Act (7 U.S.C. 1983) is amended—

5 (1) by striking “require”;

6 (2) in paragraph (1), by inserting “require”  
7 after “(1)”;

8 (3) in paragraph (2), by inserting “, require”  
9 after “314”;

10 (4) in paragraph (3), by inserting “require”  
11 after “loans,”;

12 (5) in paragraph (4)—

13 (A) by inserting “require” after “(4)”;

14 (B) by striking “and” after the semicolon;

15 (6) in paragraph (5)—

16 (A) by inserting “require” after “(5)”;

17 (B) by striking the period at the end and  
18 inserting “; and”;

19 (7) by adding at the end the following:

20 “(6) with respect to water and waste disposal  
21 direct and guaranteed loans provided under section  
22 306, encourage, to the maximum extent practicable,  
23 private or cooperative lenders to finance rural water  
24 and waste disposal facilities by—

1           “(A) maximizing the use of loan guaran-  
2           tees to finance eligible projects in rural commu-  
3           nities where the population exceeds 5,500;

4           “(B) maximizing the use of direct loans to  
5           finance eligible projects in rural communities  
6           where the impact on rate payers will be mate-  
7           rial when compared to financing with a loan  
8           guarantee;

9           “(C) establishing and applying a materi-  
10          ality standard when determining the difference  
11          in impact on rate payers between a direct loan  
12          and a loan guarantee;

13          “(D) in the case of projects that require  
14          interim financing in excess of \$500,000, requir-  
15          ing that such projects initially seek such financ-  
16          ing from private or cooperative lenders; and

17          “(E) determining if an existing direct loan  
18          borrower can refinance with a private or cooper-  
19          ative lender, including with a loan guarantee,  
20          prior to providing a new direct loan.”.

21 **SEC. 6014. SIMPLIFIED APPLICATIONS.**

22          (a) IN GENERAL.—Section 333A of the Consolidated  
23          Farm and Rural Development Act (7 U.S.C. 1983a) is  
24          amended by adding at the end the following:

1       “(h) SIMPLIFIED APPLICATION FORMS.—Except as  
2 provided in subsection (g)(2) of this section, the Secretary  
3 shall, to the maximum extent practicable, develop a sim-  
4 plified application process, including a single page applica-  
5 tion where possible, for grants and relending authorized  
6 under sections 306, 306C, 306D, 306E, 310B(b),  
7 310B(c), 310B(e), 310B(f), 310H, 379B, and 379E.”.

8       (b) REPORT TO THE CONGRESS.—Within 2 years  
9 after the date of the enactment of this Act, the Secretary  
10 shall submit to the Committee on Agriculture of the House  
11 of Representatives and the Committee on Agriculture, Nu-  
12 trition, and Forestry of the Senate a written report that  
13 contains an evaluation of the implementation of the  
14 amendment made by subsection (a).

15 **SEC. 6015. GRANTS FOR NOAA WEATHER RADIO TRANSMIT-**  
16 **TERS.**

17       Section 379B(d) of the Consolidated Farm and Rural  
18 Development Act (7 U.S.C. 2008p(d)) is amended to read  
19 as follows:

20       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
21 is authorized to be appropriated to carry out this section  
22 \$1,000,000 for each of fiscal years 2014 through 2018.”.

1 **SEC. 6016. RURAL MICROENTREPRENEUR ASSISTANCE**  
2 **PROGRAM.**

3 Section 379E(d)(2) of the Consolidated Farm and  
4 Rural Development Act (7 U.S.C. 2008s(d)(2)) is amend-  
5 ed by striking “\$40,000,000 for each of fiscal years 2009  
6 through 2012” and inserting “\$20,000,000 for each of fis-  
7 cal years 2014 through 2018”.

8 **SEC. 6017. DELTA REGIONAL AUTHORITY.**

9 (a) **AUTHORIZATION OF APPROPRIATIONS.**—Section  
10 382M(a) of the Consolidated Farm and Rural Develop-  
11 ment Act (7 U.S.C. 2009aa–12(a)) is amended by striking  
12 “\$30,000,000 for each of fiscal years 2008 through 2012”  
13 and inserting “\$12,000,000 for each of fiscal years 2014  
14 through 2018”.

15 (b) **TERMINATION OF AUTHORITY.**—Section 382N of  
16 such Act (7 U.S.C. 2009aa–13) is amended by striking  
17 “2012” and inserting “2018”.

18 **SEC. 6018. NORTHERN GREAT PLAINS REGIONAL AUTHOR-**  
19 **ITY.**

20 (a) **AUTHORIZATION OF APPROPRIATIONS.**—Section  
21 383N(a) of the Consolidated Farm and Rural Develop-  
22 ment Act (7 U.S.C. 2009bb–12(a)) is amended by striking  
23 “\$30,000,000 for each of fiscal years 2008 through 2012”  
24 and inserting “\$2,000,000 for each of fiscal years 2014  
25 through 2018”.

1 (b) TERMINATION OF AUTHORITY.—Section 3830 of  
2 such Act (7 U.S.C. 2009bb–13) is amended by striking  
3 “2012” and inserting “2018”.

4 **SEC. 6019. RURAL BUSINESS INVESTMENT PROGRAM.**

5 Section 384S of the Consolidated Farm and Rural  
6 Development Act (7 U.S.C. 2009cc–18) is amended by  
7 striking “\$50,000,000 for the period of fiscal years 2008  
8 through 2012” and inserting “\$20,000,000 for each of fis-  
9 cal years 2014 through 2018”.

10 **Subtitle B—Rural Electrification**  
11 **Act of 1936**

12 **SEC. 6101. RELENDING FOR CERTAIN PURPOSES.**

13 (a) IN GENERAL.—The Rural Electrification Act of  
14 1936 (7 U.S.C. 901 et seq.) is amended—

15 (1) in section 2(a), by inserting “(including re-  
16 lending for this purpose as provided in section 4)”  
17 after “efficiency”;

18 (2) in section 4(a), by inserting “(including re-  
19 lending to ultimate consumers for this purpose by  
20 borrowers enumerated in the proviso in this sec-  
21 tion)” after “efficiency”; and

22 (3) in section 313(b)(2)(B)—

23 (A) by inserting “(acting through the  
24 Rural Utilities Service)” after “Secretary”; and

1 (B) by inserting “energy efficiency (includ-  
2 ing relending to ultimate consumers for this  
3 purpose),” after “promoting”.

4 (b) CURRENT AUTHORITY.—The authority provided  
5 in this section is in addition to any other relending author-  
6 ity of the Secretary under the Rural Electrification Act  
7 of 1936 (7 U.S.C. 901 et. seq.) or any other law.

8 (c) ADMINISTRATION.—The Secretary (acting  
9 through the Rural Utilities Service) shall continue to carry  
10 out section 313 of the Rural Electrification Act of 1936  
11 (7 U.S.C. 940c) in the same manner as on the day before  
12 enactment of this Act until such time as any regulations  
13 necessary to carry out the amendments made by this sec-  
14 tion are fully implemented.

15 **SEC. 6102. FEES FOR CERTAIN LOAN GUARANTEES.**

16 The Rural Electrification Act of 1936 (7 U.S.C. 901  
17 et seq.) is amended by inserting after section 4 the fol-  
18 lowing:

19 **“SEC. 5. FEES FOR CERTAIN LOAN GUARANTEES.**

20 “(a) IN GENERAL.—For electrification baseload gen-  
21 eration loan guarantees, the Secretary shall, at the request  
22 of the borrower, charge an upfront fee to cover the costs  
23 of the loan guarantee.

24 “(b) FEE.—The fee described in subsection (a) for  
25 a loan guarantee shall be equal to the costs of the loan

1 guarantee (within the meaning of section 502(5)(C) of the  
2 Federal Credit Reform Act of 1990 (2 U.S.C.  
3 661a(5)(C))).

4 “(c) LIMITATION.—Funds received from a borrower  
5 to pay the fee described in this section shall not be derived  
6 from a loan or other debt obligation that is made or guar-  
7 anteed by the Federal Government.”.

8 **SEC. 6103. GUARANTEES FOR BONDS AND NOTES ISSUED**  
9 **FOR ELECTRIFICATION OR TELEPHONE PUR-**  
10 **POSES.**

11 Section 313A(f) of the Rural Electrification Act of  
12 1936 (7 U.S.C. 940c–1(f)) is amended by striking “2012”  
13 and inserting “2018”.

14 **SEC. 6104. EXPANSION OF 911 ACCESS.**

15 Section 315(d) of the Rural Electrification Act of  
16 1936 (7 U.S.C. 940e(d)) is amended by striking “2012”  
17 and inserting “2018”.

18 **SEC. 6105. ACCESS TO BROADBAND TELECOMMUNICATIONS**  
19 **SERVICES IN RURAL AREAS.**

20 Section 601 of the Rural Electrification Act of 1936  
21 (7 U.S.C. 950bb) is amended—

22 (1) in subsection (c), by striking paragraph (2)  
23 and inserting the following:

1           “(2) PRIORITIES.—In making or guaranteeing  
2           loans under paragraph (1), the Secretary shall  
3           give—

4                   “(A) the highest priority to applicants that  
5                   offer to provide broadband service to the great-  
6                   est proportion of households that, prior to the  
7                   provision of the broadband service, had no in-  
8                   cumbent service provider; and

9                   “(B) priority to applicants that offer in  
10                   their applications to provide broadband service  
11                   not predominantly for business service, but  
12                   where at least 25 percent of customers in the  
13                   proposed service territory are commercial inter-  
14                   ests.”;

15           (2) in subsection (d)—

16                   (A) in paragraph (5)—

17                           (i) by striking “and” at the end of  
18                           subparagraph (B);

19                           (ii) by striking the period at the end  
20                           of subparagraph (C) and inserting a semi-  
21                           colon; and

22                           (iii) by adding at the end the fol-  
23                           lowing:

24                           “(D) the amount and type of support re-  
25                           quested; and

1           “(E) a list of the census block groups or  
2           tracts proposed to be so served.”; and

3           (B) by adding at the end the following:

4           “(8) ADDITIONAL PROCESS.—The Secretary  
5           shall establish a process under which an incumbent  
6           service provider which, as of the date of the publica-  
7           tion of notice under paragraph (5) with respect to  
8           an application submitted by the provider, is pro-  
9           viding broadband service to a remote rural area,  
10          may (but shall not be required to) submit to the  
11          Secretary, not less than 15 and not more than 30  
12          days after that date, information regarding the  
13          broadband services that the provider offers in the  
14          proposed service territory, so that the Secretary may  
15          assess whether the application meets the require-  
16          ments of this section with respect to eligible  
17          projects.”;

18          (3) in subsection (e), by adding at the end the  
19          following:

20          “(3) REQUIREMENT.—In considering the tech-  
21          nology needs of customers in a proposed service ter-  
22          ritory, the Secretary shall take into consideration the  
23          upgrade or replacement cost for the construction or  
24          acquisition of facilities and equipment in the terri-  
25          tory.”; and

1 (4) in each of subsections (k)(1) and (l), by  
2 striking “2012” and inserting “2018”.

### 3 **Subtitle C—Miscellaneous**

#### 4 **SEC. 6201. DISTANCE LEARNING AND TELEMEDICINE.**

5 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
6 2335A of the Food, Agriculture, Conservation, and Trade  
7 Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking  
8 “\$100,000,000 for each of fiscal years 2008 through  
9 2012” and inserting “\$65,000,000 for each of fiscal years  
10 2014 through 2018”.

11 (b) CONFORMING AMENDMENT.—Section 1(b) of  
12 Public Law 102–551 (7 U.S.C. 950aaa note) is amended  
13 by striking “2012” and inserting “2018”.

#### 14 **SEC. 6202. VALUE-ADDED AGRICULTURAL MARKET DEVELOPMENT PROGRAM GRANTS.**

15  
16 Section 231(b)(7) of the Agricultural Risk Protection  
17 Act of 2000 (7 U.S.C. 1632a(b)(7)) is amended—

18 (1) in subparagraph (A)—

19 (A) by striking “2008” and inserting  
20 “2013”; and

21 (B) by striking “\$15,000,000” and insert-  
22 ing “\$50,000,000”; and

23 (2) in subparagraph (B), by striking “2012”  
24 and inserting “2018”.

1 **SEC. 6203. AGRICULTURE INNOVATION CENTER DEM-**  
2 **ONSTRATION PROGRAM.**

3 Section 6402(i) of the Farm Security and Rural In-  
4 vestment Act of 2002 (7 U.S.C. 1632b(i)) is amended by  
5 striking “\$6,000,000 for each of fiscal years 2008 through  
6 2012” and inserting “\$1,000,000 for each of fiscal years  
7 2014 through 2018”.

8 **SEC. 6204. PROGRAM METRICS.**

9 (a) IN GENERAL.—The Secretary of Agriculture shall  
10 collect data regarding economic activities created through  
11 grants and loans, including any technical assistance pro-  
12 vided as a component of the grant or loan program, and  
13 measure the short and long term viability of award recipi-  
14 ents and any entities to whom those recipients provide as-  
15 sistance using award funds under section 231 of the Agri-  
16 cultural Risk Protection Act of 2000 (7 U.S.C. 1621 note;  
17 Public Law 106–224), section 9007 of the Farm Security  
18 and Rural Investment Act of 2002 (7 U.S.C. 8107), sec-  
19 tion 313(b)(2) of the Rural Electrification Act of 1936  
20 (7 U.S.C. 940e(b)(2)), or section 306(a)(11), 310B(e),  
21 310B(e), 310B(g), 310H, or 379E, or subtitle E, of the  
22 Consolidated Farm and Rural Development Act (7 U.S.C.  
23 1926(a)(11), 1932(c), 1932(e), 1932(g), 2008s, or 2009  
24 through 2009m).

25 (b) DATA.—The data collected under subsection (a)  
26 shall include information collected from recipients both

1 during the award period and after the period as deter-  
2 mined by the Secretary, but not less than 2 years after  
3 the award period ends.

4 (c) REPORT.—Not later than 4 years after the date  
5 of enactment of this Act, and every 2 years thereafter,  
6 the Secretary shall submit to the Committee on Agri-  
7 culture of the House of Representatives and the Com-  
8 mittee on Agriculture, Nutrition, and Forestry of the Sen-  
9 ate a report that contains the data described in subsection  
10 (a). The report shall include detailed information regard-  
11 ing—

12 (1) actions taken by the Secretary to utilize the  
13 data;

14 (2) the number of jobs, including self-employ-  
15 ment and the value of salaries and wages;

16 (3) how the provision of funds from the grant  
17 or loan involved affected the local economy;

18 (4) any benefit, such as an increase in revenue  
19 or customer base; and

20 (5) such other information as the Secretary  
21 deems appropriate.

22 **SEC. 6205. STUDY OF RURAL TRANSPORTATION ISSUES.**

23 (a) IN GENERAL.—The Secretary of Agriculture and  
24 the Secretary of Transportation shall publish an updated

1 version of the study described in section 6206 of the Food,  
2 Conservation, and Energy Act of 2008.

3 (b) REPORT TO CONGRESS.—Not later than 1 year  
4 after the date of enactment of this Act, the Secretary of  
5 Agriculture and the Secretary of Transportation shall sub-  
6 mit to the Congress the updated version of the study re-  
7 quired by subsection (a).

8 **SEC. 6206. CERTAIN FEDERAL ACTIONS NOT TO BE CONSID-**  
9 **ERED MAJOR.**

10 In the case of a loan, loan guarantee, or grant pro-  
11 gram in the rural development mission area of the Depart-  
12 ment of Agriculture, an action of the Secretary before, on,  
13 or after the date of enactment of this Act that does not  
14 involve the provision by the Department of Agriculture of  
15 Federal dollars or a Federal loan guarantee, including—

16 (1) the approval by the Department of Agri-  
17 culture of the decision of a borrower to commence  
18 a privately funded activity;

19 (2) a lien accommodation or subordination;

20 (3) a debt settlement or restructuring; or

21 (4) the restructuring of a business entity by a  
22 borrower,

23 shall not be considered a major Federal action.

1 **TITLE VII—RESEARCH, EXTEN-**  
2 **SION, AND RELATED MAT-**  
3 **TERS**

4 **Subtitle A—National Agricultural**  
5 **Research, Extension, and Teach-**  
6 **ing Policy Act of 1977**

7 **SEC. 7101. OPTION TO BE INCLUDED AS NON-LAND-GRANT**  
8 **COLLEGE OF AGRICULTURE.**

9 Section 1404 of the National Agricultural Research,  
10 Extension, and Teaching Policy Act of 1977 (7 U.S.C.  
11 3103) is amended—

12 (1) by striking paragraph (5) and inserting the  
13 following new paragraph:

14 “(5) COOPERATING FORESTRY SCHOOL.—

15 “(A) IN GENERAL.—The term ‘cooperating  
16 forestry school’ means an institution—

17 “(i) that is eligible to receive funds  
18 under the Act of October 10, 1962 (16  
19 U.S.C. 582a et seq.), commonly known as  
20 the McIntire-Stennis Act of 1962; and

21 “(ii) with respect to which the Sec-  
22 retary has not received a declaration of the  
23 intent of that institution to not be consid-  
24 ered a cooperating forestry school.

1           “(B) TERMINATION OF DECLARATION.—A  
2           declaration of the intent of an institution to not  
3           be considered a cooperating forestry school sub-  
4           mitted to the Secretary shall be in effect until  
5           September 30, 2018.”; and  
6           (2) in paragraph (10)—  
7           (A) in subparagraph (A)—  
8           (i) in the matter preceding clause (i),  
9           by striking “that”;  
10          (ii) in clause (i)—  
11           (I) by inserting “that” before  
12           “qualify”; and  
13           (II) by striking “and” at the end;  
14          (iii) in clause (ii)—  
15           (I) by inserting “that” before  
16           “offer”; and  
17           (II) by striking the period at the  
18           end and inserting “; and”; and  
19          (iv) by adding at the end the following  
20          new clause:  
21           “(iii) with respect to which the Sec-  
22           retary has not received a statement of the  
23           declaration of the intent of a college or  
24           university to not be considered a Hispanic-

1 serving agricultural college or university.”;

2 and

3 (B) by adding at the end the following new  
4 subparagraph:

5 “(C) TERMINATION OF DECLARATION OF  
6 INTENT.—A declaration of the intent of a col-  
7 lege or university to not be considered a His-  
8 panic-serving agricultural college or university  
9 submitted to the Secretary shall be in effect  
10 until September 30, 2018.”.

11 **SEC. 7102. NATIONAL AGRICULTURAL RESEARCH, EXTEN-**  
12 **SION, EDUCATION, AND ECONOMICS ADVI-**  
13 **SORY BOARD.**

14 (a) EXTENSION OF TERMINATION DATE.—Section  
15 1408(h) of the National Agricultural Research, Extension,  
16 and Teaching Policy Act of 1977 (7 U.S.C. 3123(h)) is  
17 amended by striking “2012” and inserting “2018”.

18 (b) DUTIES OF NATIONAL AGRICULTURAL RE-  
19 SEARCH, EXTENSION, EDUCATION, AND ECONOMICS AD-  
20 VISORY BOARD.—Section 1408(c) of the National Agricul-  
21 tural Research, Extension, and Teaching Policy Act of  
22 1977 (7 U.S.C. 3123(c)) is amended—

23 (1) in paragraph (3), by striking “and” at the  
24 end;

1           (2) in paragraph (4)(C), by striking the period  
2           at the end and inserting “; and”; and

3           (3) by adding at the end the following new  
4           paragraph:

5           “(5) consult with industry groups on agricul-  
6           tural research, extension, education, and economics,  
7           and make recommendations to the Secretary based  
8           on that consultation.”.

9   **SEC. 7103. SPECIALTY CROP COMMITTEE.**

10          Section 1408A(c) of the National Agricultural Re-  
11          search, Extension, and Teaching Policy Act of 1977 (7  
12          U.S.C. 3123a(c)) is amended—

13                 (1) in paragraph (1), by striking “Measures”  
14                 and inserting “Programs”;

15                 (2) by striking paragraph (2);

16                 (3) by redesignating paragraphs (3), (4), and  
17                 (5) as paragraphs (2), (3), and (4), respectively; and

18                 (4) in paragraph (2) (as so redesignated)—

19                         (A) in the matter preceding subparagraph  
20                         (A), by striking “Programs that would” and in-  
21                         serting “Research, extension, and teaching pro-  
22                         grams designed to improve competitiveness in  
23                         the specialty crop industry, including programs  
24                         that would”;

1 (B) in subparagraph (D), by inserting “in-  
2 cluding improving the quality and taste of proc-  
3 essed specialty crops” before the semicolon; and

4 (C) in subparagraph (G), by inserting “the  
5 remote sensing and the” before “mechaniza-  
6 tion”.

7 **SEC. 7104. VETERINARY SERVICES GRANT PROGRAM.**

8 The National Agricultural Research, Extension, and  
9 Teaching Policy Act of 1977 is amended by inserting after  
10 section 1415A (7 U.S.C. 3151a) the following new section:

11 **“SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.**

12 “(a) DEFINITIONS.—In this section:

13 “(1) QUALIFIED ENTITY.—The term ‘qualified  
14 entity’ means—

15 “(A) a for-profit or nonprofit entity located  
16 in the United States that, or an individual who,  
17 operates a veterinary clinic providing veterinary  
18 services—

19 “(i) in a rural area, as defined in sec-  
20 tion 343(a) of the Consolidated Farm and  
21 Rural Development Act (7 U.S.C.  
22 1991(a)); and

23 “(ii) in a veterinarian shortage situa-  
24 tion;

1           “(B) a State, national, allied, or regional  
2           veterinary organization or specialty board rec-  
3           cognized by the American Veterinary Medical  
4           Association;

5           “(C) a college or school of veterinary medi-  
6           cine accredited by the American Veterinary  
7           Medical Association;

8           “(D) a university research foundation or  
9           veterinary medical foundation;

10           “(E) a department of veterinary science or  
11           department of comparative medicine accredited  
12           by the Department of Education;

13           “(F) a State agricultural experiment sta-  
14           tion; or

15           “(G) a State, local, or tribal government  
16           agency.

17           “(2) VETERINARIAN SHORTAGE SITUATION.—  
18           The term ‘veterinarian shortage situation’ means a  
19           veterinarian shortage situation as determined by the  
20           Secretary under section 1415A.

21           “(b) ESTABLISHMENT.—

22           “(1) COMPETITIVE GRANTS.—The Secretary  
23           shall carry out a program to make competitive  
24           grants to qualified entities that carry out programs  
25           or activities described in paragraph (2) for the pur-

1       pose of developing, implementing, and sustaining  
2       veterinary services.

3               “(2) ELIGIBILITY REQUIREMENTS.—A qualified  
4       entity shall be eligible to receive a grant described  
5       in paragraph (1) if the entity carries out programs  
6       or activities that the Secretary determines will—

7               “(A) substantially relieve veterinarian  
8       shortage situations;

9               “(B) support or facilitate private veteri-  
10       nary practices engaged in public health activi-  
11       ties; or

12               “(C) support or facilitate the practices of  
13       veterinarians who are providing or have com-  
14       pleted providing services under an agreement  
15       entered into with the Secretary under section  
16       1415A(a)(2).

17       “(c) AWARD PROCESSES AND PREFERENCES.—

18               “(1) APPLICATION, EVALUATION, AND INPUT  
19       PROCESSES.—In administering the grant program  
20       established under this section, the Secretary shall—

21               “(A) use an appropriate application and  
22       evaluation process, as determined by the Sec-  
23       retary; and

24               “(B) seek the input of interested persons.

1           “(2) COORDINATION PREFERENCE.—In select-  
2           ing recipients of grants to be used for any of the  
3           purposes described in subsection (d)(1), the Sec-  
4           retary shall give a preference to qualified entities  
5           that provide documentation of coordination with  
6           other qualified entities, with respect to any such  
7           purpose.

8           “(3) CONSIDERATION OF AVAILABLE FUNDS.—  
9           In selecting recipients of grants to be used for any  
10          of the purposes described in subsection (d), the Sec-  
11          retary shall take into consideration the amount of  
12          funds available for grants and the purposes for  
13          which the grant funds will be used.

14          “(4) NATURE OF GRANTS.—A grant awarded  
15          under this section shall be considered to be a com-  
16          petitive research, extension, or education grant.

17          “(d) USE OF GRANTS TO RELIEVE VETERINARIAN  
18          SHORTAGE SITUATIONS AND SUPPORT VETERINARY  
19          SERVICES.—

20                 “(1) IN GENERAL.—Except as provided in para-  
21                 graph (2), a qualified entity may use funds provided  
22                 by a grant awarded under this section to relieve vet-  
23                 erinarian shortage situations and support veterinary  
24                 services for any of the following purposes:

1           “(A) To promote recruitment (including  
2           for programs in secondary schools), placement,  
3           and retention of veterinarians, veterinary tech-  
4           nicians, students of veterinary medicine, and  
5           students of veterinary technology.

6           “(B) To allow veterinary students, veteri-  
7           nary interns, externs, fellows, and residents,  
8           and veterinary technician students to cover ex-  
9           penses (other than the types of expenses de-  
10          scribed in section 1415A(e)(5)) to attend train-  
11          ing programs in food safety or food animal  
12          medicine.

13          “(C) To establish or expand accredited vet-  
14          erinary education programs (including faculty  
15          recruitment and retention), veterinary residency  
16          and fellowship programs, or veterinary intern-  
17          ship and externship programs carried out in co-  
18          ordination with accredited colleges of veterinary  
19          medicine.

20          “(D) To provide continuing education and  
21          extension, including veterinary telemedicine and  
22          other distance-based education, for veterinar-  
23          ians, veterinary technicians, and other health  
24          professionals needed to strengthen veterinary  
25          programs and enhance food safety.

1           “(E) To provide technical assistance for  
2           the preparation of applications submitted to the  
3           Secretary for designation as a veterinarian  
4           shortage situation under this section or section  
5           1415A.

6           “(2) QUALIFIED ENTITIES OPERATING VETERI-  
7           NARY CLINICS.—A qualified entity described in sub-  
8           section (a)(1)(A) may only use funds provided by a  
9           grant awarded under this section to establish or ex-  
10          pand veterinary practices, including—

11                   “(A) equipping veterinary offices;

12                   “(B) sharing in the reasonable overhead  
13                   costs of such veterinary practices, as deter-  
14                   mined by the Secretary; or

15                   “(C) establishing mobile veterinary facili-  
16                   ties in which a portion of the facilities will ad-  
17                   dress education or extension needs.

18          “(e) SPECIAL REQUIREMENTS FOR CERTAIN  
19          GRANTS.—

20                   “(1) TERMS OF SERVICE REQUIREMENTS.—

21                   “(A) IN GENERAL.—Funds provided  
22                   through a grant made under this section to a  
23                   qualified entity described in subsection  
24                   (a)(1)(A) and used by such entity under sub-  
25                   section (d)(2) shall be subject to an agreement

1           between the Secretary and such entity that in-  
2           cludes a required term of service for such entity  
3           (including a qualified entity operating as an in-  
4           dividual), as prospectively established by the  
5           Secretary.

6           “(B) CONSIDERATIONS.—In establishing a  
7           term of service under subparagraph (A), the  
8           Secretary shall consider only—

9                   “(i) the amount of the grant awarded;  
10                   and

11                   “(ii) the specific purpose of the grant.

12           “(2) BREACH REMEDIES.—

13                   “(A) IN GENERAL.—An agreement under  
14           paragraph (1) shall provide remedies for any  
15           breach of the agreement by the qualified entity  
16           referred to in paragraph (1)(A), including re-  
17           payment or partial repayment of the grant  
18           funds, with interest.

19                   “(B) WAIVER.—The Secretary may grant  
20           a waiver of the repayment obligation for breach  
21           of contract if the Secretary determines that  
22           such qualified entity demonstrates extreme  
23           hardship or extreme need.

1                   “(C) TREATMENT OF AMOUNTS RECOV-  
2                   ERED.—Funds recovered under this paragraph  
3                   shall—

4                               “(i) be credited to the account avail-  
5                               able to carry out this section; and

6                               “(ii) remain available until expended  
7                               without further appropriation.

8                   “(f) PROHIBITION ON USE OF GRANT FUNDS FOR  
9                   CONSTRUCTION.—Except as provided in subsection (d)(2),  
10                   funds made available for grants under this section may  
11                   not be used—

12                               “(1) to construct a new building or facility; or

13                               “(2) to acquire, expand, remodel, or alter an ex-  
14                   isting building or facility, including site grading and  
15                   improvement and architect fees.

16                   “(g) REGULATIONS.—Not later than 1 year after the  
17                   date of the enactment of this section, the Secretary shall  
18                   promulgate regulations to carry out this section.

19                   “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
20                   are authorized to be appropriated to the Secretary to carry  
21                   out this section \$10,000,000 for fiscal year 2014 and each  
22                   fiscal year thereafter, to remain available until ex-  
23                   pended.”.

1 **SEC. 7105. GRANTS AND FELLOWSHIPS FOR FOOD AND AG-**  
2 **RICULTURE SCIENCES EDUCATION.**

3 Section 1417(m) of the National Agricultural Re-  
4 search, Extension, and Teaching Policy Act of 1977 (7  
5 U.S.C. 3152(m)) is amended by striking “section  
6 \$60,000,000” and all that follows and inserting the fol-  
7 lowing: “section—

8 “(1) \$60,000,000 for each of fiscal years 1990  
9 through 2013; and

10 “(2) \$40,000,000 for each of fiscal years 2014  
11 through 2018.”.

12 **SEC. 7106. POLICY RESEARCH CENTERS.**

13 Section 1419A of the National Agricultural Research,  
14 Extension, and Teaching Policy Act of 1977 (7 U.S.C.  
15 3155) is amended—

16 (1) in the section heading, by inserting “**AGRI-**  
17 **CULTURAL AND FOOD**” before “**POLICY**”;

18 (2) in subsection (a), in the matter preceding  
19 paragraph (1)—

20 (A) by striking “Secretary may” and in-  
21 serting “Secretary shall, acting through the Of-  
22 fice of the Chief Economist,”;

23 (B) by striking “make grants, competitive  
24 grants, and special research grants to, and  
25 enter into cooperative agreements and other  
26 contracting instruments with,” and inserting

1 “make competitive grants to or enter into coop-  
2 erative agreements with”; and

3 (C) by inserting “with a history of pro-  
4 viding unbiased, nonpartisan economic analysis  
5 to Congress” after “subsection (b)”;

6 (3) in subsection (b), by striking “other re-  
7 search institutions” and all that follows through  
8 “shall be eligible” and inserting “and other public  
9 research institutions and organizations shall be eligi-  
10 ble”;

11 (4) by redesignating subsections (c) and (d) as  
12 subsections (d) and (e), respectively;

13 (5) by inserting after subsection (b), the fol-  
14 lowing new subsection:

15 “(c) PREFERENCE.—In awarding grants under this  
16 section, the Secretary shall give a preference to policy re-  
17 search centers that have extensive databases, models, and  
18 demonstrated experience in providing Congress with agri-  
19 cultural market projections, rural development analysis,  
20 agricultural policy analysis, and baseline projections at the  
21 farm, multiregional, national, and international levels.”;  
22 and

23 (6) by striking subsection (e) (as redesignated  
24 by paragraph (4)) and inserting the following new  
25 subsection:

1       “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated to carry out this sec-  
3 tion—

4               “(1) such sums as are necessary for each of fis-  
5 cal years 1996 through 2013; and

6               “(2) \$5,000,000 for each of fiscal years 2014  
7 through 2018.”.

8 **SEC. 7107. REPEAL OF HUMAN NUTRITION INTERVENTION**  
9                               **AND HEALTH PROMOTION RESEARCH PRO-**  
10                               **GRAM.**

11       Effective October 1, 2013, section 1424 of the Na-  
12 tional Agricultural Research, Extension, and Teaching  
13 Policy Act of 1977 (7 U.S.C. 3174) is repealed.

14 **SEC. 7108. REPEAL OF PILOT RESEARCH PROGRAM TO**  
15                               **COMBINE MEDICAL AND AGRICULTURAL RE-**  
16                               **SEARCH.**

17       Effective October 1, 2013, section 1424A of the Na-  
18 tional Agricultural Research, Extension, and Teaching  
19 Policy Act of 1977 (7 U.S.C. 3174a) is repealed.

20 **SEC. 7109. NUTRITION EDUCATION PROGRAM.**

21       Section 1425(f) of the National Agricultural Re-  
22 search, Extension, and Teaching Policy Act of 1977 (7  
23 U.S.C. 3175(f)) is amended by striking “2012” and in-  
24 serting “2018”.

1 **SEC. 7110. CONTINUING ANIMAL HEALTH AND DISEASE RE-**  
2 **SEARCH PROGRAMS.**

3 Section 1433 of the National Agricultural Research,  
4 Extension, and Teaching Policy Act of 1977 (7 U.S.C.  
5 3195) is amended by striking the section designation and  
6 heading and all that follows through subsection (a) and  
7 inserting the following:

8 **“SEC. 1433. APPROPRIATIONS FOR CONTINUING ANIMAL**  
9 **HEALTH AND DISEASE RESEARCH PRO-**  
10 **GRAMS.**

11 **“(a) AUTHORIZATION OF APPROPRIATIONS.—**

12 **“(1) IN GENERAL.—**There are authorized to be  
13 appropriated to support continuing animal health  
14 and disease research programs at eligible institu-  
15 tions—

16 **“(A) \$25,000,000 for each of fiscal years**  
17 **1991 through 2013; and**

18 **“(B) \$15,000,000 for each of fiscal years**  
19 **2014 through 2018.**

20 **“(2) USE OF FUNDS.—**Funds made available  
21 under this section shall be used—

22 **“(A) to meet the expenses of conducting**  
23 **animal health and disease research, publishing**  
24 **and disseminating the results of such research,**  
25 **and contributing to the retirement of employees**

1 subject to the Act of March 4, 1940 (7 U.S.C.  
2 331);

3 “(B) for administrative planning and di-  
4 rection; and

5 “(C) to purchase equipment and supplies  
6 necessary for conducting the research described  
7 in subparagraph (A).”.

8 **SEC. 7111. REPEAL OF APPROPRIATIONS FOR RESEARCH**  
9 **ON NATIONAL OR REGIONAL PROBLEMS.**

10 (a) REPEAL.—Effective October 1, 2013, section  
11 1434 of the National Agricultural Research, Extension,  
12 and Teaching Policy Act of 1977 (7 U.S.C. 3196) is re-  
13 pealed.

14 (b) CONFORMING AMENDMENTS.—

15 (1) MATCHING FUNDS.—Section 1438 of the  
16 National Agricultural Research, Extension, and  
17 Teaching Policy Act of 1977 (7 U.S.C. 3200) is  
18 amended in the first sentence by striking “, exclusive  
19 of the funds provided for research on specific na-  
20 tional or regional animal health and disease prob-  
21 lems under the provisions of section 1434 of this  
22 title.”.

23 (2) AUTHORIZATION OF APPROPRIATIONS FOR  
24 EXISTING AND CERTAIN NEW AGRICULTURAL RE-  
25 SEARCH PROGRAMS.—Section 1463(c) of the Na-

1 tional Agricultural Research, Extension, and Teach-  
2 ing Policy Act of 1977 (7 U.S.C. 3311(c)) is amend-  
3 ed by striking “sections 1433 and 1434” and insert-  
4 ing “section 1433”.

5 **SEC. 7112. GRANTS TO UPGRADE AGRICULTURAL AND**  
6 **FOOD SCIENCES FACILITIES AT 1890 LAND-**  
7 **GRANT COLLEGES, INCLUDING TUSKEGEE**  
8 **UNIVERSITY.**

9 Section 1447(b) of the National Agricultural Re-  
10 search, Extension, and Teaching Policy Act of 1977 (7  
11 U.S.C. 3222b(b)) is amended by striking “2012” and in-  
12 serting “2018”.

13 **SEC. 7113. GRANTS TO UPGRADE AGRICULTURE AND FOOD**  
14 **SCIENCE FACILITIES AND EQUIPMENT AT IN-**  
15 **SULAR AREA LAND-GRANT INSTITUTIONS.**

16 (a) SUPPORTING TROPICAL AND SUBTROPICAL AGRI-  
17 CULTURAL RESEARCH.—

18 (1) IN GENERAL.—Section 1447B(a) of the Na-  
19 tional Agricultural Research, Extension, and Teach-  
20 ing Policy Act of 1977 (7 U.S.C. 3222b–2(a)) is  
21 amended to read as follows:

22 “(a) PURPOSE.—It is the intent of Congress to assist  
23 the land-grant colleges and universities in the insular  
24 areas in efforts to—

1           “(1) acquire, alter, or repair facilities or rel-  
2           evant equipment necessary for conducting agricul-  
3           tural research; and

4           “(2) support tropical and subtropical agricul-  
5           tural research, including pest and disease research.”.

6           (2)     CONFORMING     AMENDMENT.—Section  
7           1447B of the National Agricultural Research, Ex-  
8           tension, and Teaching Policy Act of 1977 (7 U.S.C.  
9           3222b-2) is amended in the heading—

10                   (A) by inserting “**AND SUPPORT TROP-**  
11                   **ICAL AND SUBTROPICAL AGRICULTURAL**  
12                   **RESEARCH**” after “**EQUIPMENT**”; and

13                   (B) by striking “**INSTITUTIONS**” and in-  
14                   serting “**COLLEGES AND UNIVERSITIES**”.

15           (b) EXTENSION.—Section 1447B(d) of the National  
16           Agricultural Research, Extension, and Teaching Policy  
17           Act of 1977 (7 U.S.C. 3222b-2(d)) is amended by striking  
18           “2012” and inserting “2018”.

19           **SEC. 7114. REPEAL OF NATIONAL RESEARCH AND TRAIN-**  
20                   **ING VIRTUAL CENTERS.**

21           Effective October 1, 2013, section 1448 of the Na-  
22           tional Agricultural Research, Extension, and Teaching  
23           Policy Act of 1977 (7 U.S.C. 3222c) is repealed.

1 **SEC. 7115. HISPANIC-SERVING INSTITUTIONS.**

2 Section 1455(c) of the National Agricultural Re-  
3 search, Extension, and Teaching Policy Act of 1977 (7  
4 U.S.C. 3241(c)) is amended by striking “2012” and in-  
5 serting “2018”.

6 **SEC. 7116. COMPETITIVE GRANTS PROGRAM FOR HISPANIC**  
7 **AGRICULTURAL WORKERS AND YOUTH.**

8 Section 1456(e)(1) of the National Agricultural Re-  
9 search, Extension, and Teaching Policy Act of 1977 (7  
10 U.S.C. 3243(e)(1)) is amended to read as follows:

11 “(1) IN GENERAL.—The Secretary shall estab-  
12 lish a competitive grants program—

13 “(A) to fund fundamental and applied re-  
14 search and extension at Hispanic-serving agri-  
15 cultural colleges and universities in agriculture,  
16 human nutrition, food science, bioenergy, and  
17 environmental science; and

18 “(B) to award competitive grants to His-  
19 panic-serving agricultural colleges and univer-  
20 sities to provide for training in the food and ag-  
21 ricultural sciences of Hispanic agricultural  
22 workers and Hispanic youth working in the  
23 food and agricultural sciences.”.

1 **SEC. 7117. COMPETITIVE GRANTS FOR INTERNATIONAL AG-**  
2 **RICULTURAL SCIENCE AND EDUCATION PRO-**  
3 **GRAMS.**

4 Section 1459A(c) of the National Agricultural Re-  
5 search, Extension, and Teaching Policy Act of 1977 (7  
6 U.S.C. 3292b(c)) is amended to read as follows:

7 “(c) AUTHORIZATION OF APPROPRIATIONS.—There  
8 are authorized to be appropriated to carry out this sec-  
9 tion—

10 “(1) such sums as are necessary for each of fis-  
11 cal years 1999 through 2013; and

12 “(2) \$5,000,000 for each of fiscal years 2014  
13 through 2018.”.

14 **SEC. 7118. REPEAL OF RESEARCH EQUIPMENT GRANTS.**

15 Effective October 1, 2013, section 1462A of the Na-  
16 tional Agricultural Research, Extension, and Teaching  
17 Policy Act of 1977 (7 U.S.C. 3310a) is repealed.

18 **SEC. 7119. UNIVERSITY RESEARCH.**

19 Section 1463 of the National Agricultural Research,  
20 Extension, and Teaching Policy Act of 1977 (7 U.S.C.  
21 3311) is amended in both of subsections (a) and (b) by  
22 striking “2012” and inserting “2018”.

23 **SEC. 7120. EXTENSION SERVICE.**

24 Section 1464 of the National Agricultural Research,  
25 Extension, and Teaching Policy Act of 1977 (7 U.S.C.

1 3312) is amended by striking “2012” and inserting  
2 “2018”.

3 **SEC. 7121. AUDITING, REPORTING, BOOKKEEPING, AND AD-**  
4 **MINISTRATIVE REQUIREMENTS.**

5 Section 1469 of the National Agricultural Research,  
6 Extension, and Teaching Policy Act of 1977 (7 U.S.C.  
7 3315) is amended—

8 (1) in subsection (a)—

9 (A) in paragraph (2), by adding “and” at  
10 the end;

11 (B) by striking paragraph (3); and

12 (C) by redesignating paragraph (4) as  
13 paragraph (3);

14 (2) by redesignating subsections (b), (c), and  
15 (d) as subsections (d), (e), and (f), respectively; and

16 (3) by inserting after subsection (a) the fol-  
17 lowing new subsections:

18 “(b) ADMINISTRATIVE EXPENSES.—

19 “(1) IN GENERAL.—Except as provided in para-  
20 graph (2) and notwithstanding any other provision  
21 of law, the Secretary may retain not more than 4  
22 percent of amounts made available for agricultural  
23 research, extension, and teaching assistance pro-  
24 grams for the administration of those programs au-  
25 thorized under this Act or any other Act.

1           “(2) EXCEPTIONS.—The limitation on adminis-  
2           trative expenses under paragraph (1) shall not apply  
3           to peer panel expenses under subsection (d) or any  
4           other provision of law related to the administration  
5           of agricultural research, extension, and teaching as-  
6           sistance programs that contains a limitation on ad-  
7           ministrative expenses that is less than the limitation  
8           under paragraph (1).

9           “(c) AGREEMENTS WITH NON-FEDERAL ENTI-  
10          TIES.—

11           “(1) FORMER AGRICULTURAL RESEARCH FA-  
12          CILITIES OF THE DEPARTMENT.—To the maximum  
13          extent practicable, the Secretary, for purposes of  
14          supporting ongoing research and information dis-  
15          semination activities, including supporting research  
16          and those activities through co-locating scientists  
17          and other technical personnel, sharing of laboratory  
18          and field equipment, and providing financial sup-  
19          port, shall enter into grants, contracts, cooperative  
20          agreements, or other legal instruments with former  
21          Department of Agriculture agricultural research fa-  
22          cilities.

23           “(2) AGREEMENTS WITH AGRICULTURAL RE-  
24          SEARCH ORGANIZATIONS.—The Secretary, for pur-  
25          poses of receiving from a non-Federal agricultural

1 research organization support for agricultural re-  
2 search, including staffing, laboratory and field equip-  
3 ment, or direct financial assistance, may enter into  
4 grants, contracts, cooperative agreements, or other  
5 legal instruments with an agricultural research orga-  
6 nization, the operation of which is consistent with  
7 the research mission and programs of an agricul-  
8 tural research facility of the Department of Agri-  
9 culture.”.

10 **SEC. 7122. SUPPLEMENTAL AND ALTERNATIVE CROPS.**

11 (a) AUTHORIZATION OF APPROPRIATIONS AND TER-  
12 MINATION.—Section 1473D of the National Agricultural  
13 Research, Extension, and Teaching Policy Act of 1977 (7  
14 U.S.C. 3319d) is amended—

15 (1) in subsection (a), by striking “2012” and  
16 inserting “2018”; and

17 (2) by adding at the end the following new sub-  
18 section:

19 “(e) There are authorized to be appropriated to carry  
20 out this section—

21 “(1) such sums as are necessary for fiscal year  
22 2013; and

23 “(2) \$1,000,000 for each of fiscal years 2014  
24 through 2018.”.

1 (b) COMPETITIVE GRANTS.—Section 1473D(c)(1) of  
2 the National Agricultural Research, Extension, and  
3 Teaching Policy Act of 1977 (7 U.S.C. 3319d(c)(1)) is  
4 amended by striking “use such research funding, special  
5 or competitive grants, or other means, as the Secretary  
6 determines,” and inserting “make competitive grants”.

7 **SEC. 7123. CAPACITY BUILDING GRANTS FOR NLGCA INSTI-**  
8 **TUTIONS.**

9 Section 1473F(b) of the National Agricultural Re-  
10 search, Extension, and Teaching Policy Act of 1977 (7  
11 U.S.C. 3319i(b)) is amended by striking “2012” and in-  
12 serting “2018”.

13 **SEC. 7124. AQUACULTURE ASSISTANCE PROGRAMS.**

14 (a) COMPETITIVE GRANTS.—Section 1475(b) of the  
15 National Agricultural Research, Extension, and Teaching  
16 Policy Act of 1977 (7 U.S.C. 3322(b)) is amended in the  
17 matter preceding paragraph (1), by inserting “competi-  
18 tive” before “grants”.

19 (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
20 1477 of the National Agricultural Research, Extension,  
21 and Teaching Policy Act of 1977 (7 U.S.C. 3324) is  
22 amended to read as follows:

23 **“SEC. 1477. AUTHORIZATION OF APPROPRIATIONS.**

24 “(a) IN GENERAL.—There are authorized to be ap-  
25 propriated to carry out this subtitle—

1           “(1) \$7,500,000 for each of fiscal years 1991  
2 through 2013; and

3           “(2) \$5,000,000 for each of fiscal years 2014  
4 through 2018.

5           “(b) PROHIBITION ON USE.—Funds made available  
6 under this section may not be used to acquire or construct  
7 a building.”.

8 **SEC. 7125. RANGELAND RESEARCH PROGRAMS.**

9           Section 1483(a) of the National Agricultural Re-  
10 search, Extension, and Teaching Policy Act of 1977 (7  
11 U.S.C. 3336(a)) is amended by striking “subtitle” and all  
12 that follows and inserting the following: “subtitle—

13           “(1) \$10,000,000 for each of fiscal years 1991  
14 through 2013; and

15           “(2) \$2,000,000 for each of fiscal years 2014  
16 through 2018.”.

17 **SEC. 7126. SPECIAL AUTHORIZATION FOR BIOSECURITY**  
18 **PLANNING AND RESPONSE.**

19           Section 1484(a) of the National Agricultural Re-  
20 search, Extension, and Teaching Policy Act of 1977 (7  
21 U.S.C. 3351(a)) is amended by striking “response such  
22 sums as are necessary” and all that follows and inserting  
23 the following: “response—

24           “(1) such sums as are necessary for each of fis-  
25 cal years 2002 through 2013; and

1           “(2) \$10,000,000 for each of fiscal years 2014  
2           through 2018.”.

3   **SEC. 7127. DISTANCE EDUCATION AND RESIDENT INSTRU-**  
4                   **CTION GRANTS PROGRAM FOR INSULAR AREA**  
5                   **INSTITUTIONS OF HIGHER EDUCATION.**

6           (a) DISTANCE EDUCATION GRANTS FOR INSULAR  
7   AREAS.—

8           (1) COMPETITIVE GRANTS.—Section 1490(a) of  
9           the National Agricultural Research, Extension, and  
10          Teaching Policy Act of 1977 (7 U.S.C. 3362(a)) is  
11          amended by striking “or noncompetitive”.

12          (2) AUTHORIZATION OF APPROPRIATIONS.—  
13          Section 1490(f) of the National Agricultural Re-  
14          search, Extension, and Teaching Policy Act of 1977  
15          (7 U.S.C. 3362(f)) is amended by striking “section”  
16          and all that follows and inserting the following: “sec-  
17          tion—

18               “(1) such sums as are necessary for each of fis-  
19               cal years 2002 through 2013; and

20               “(2) \$2,000,000 for each of fiscal years 2014  
21               through 2018.”.

22          (b) RESIDENT INSTRUCTION GRANTS FOR INSULAR  
23   AREAS.—Section 1491(c) of the National Agricultural Re-  
24   search, Extension, and Teaching Policy Act of 1977 (7  
25   U.S.C. 3363(c)) is amended by striking “such sums as

1 are necessary” and all that follows and inserting the fol-  
2 lowing: “to carry out this section—

3 “(1) such sums as are necessary for each of fis-  
4 cal years 2002 through 2013; and

5 “(2) \$2,000,000 for each of fiscal years 2014  
6 through 2018.”.

7 **SEC. 7128. MATCHING FUNDS REQUIREMENT.**

8 (a) IN GENERAL.—The National Agricultural Re-  
9 search, Extension, and Teaching Policy Act of 1977 (7  
10 U.S.C. 3101 et seq.) is amended by adding at the end  
11 the following new subtitle:

12 **“Subtitle P—General Provisions**

13 **“SEC. 1492. MATCHING FUNDS REQUIREMENT.**

14 “(a) IN GENERAL.—The recipient of a competitive  
15 grant that is awarded by the Secretary under a covered  
16 law shall provide funds, in-kind contributions, or a com-  
17 bination of both, from sources other than funds provided  
18 through such grant in an amount at least equal to the  
19 amount of such grant.

20 “(b) EXCEPTION.—The matching funds requirement  
21 under subsection (a) shall not apply to grants awarded—

22 “(1) to a research agency of the Department of  
23 Agriculture;

24 “(2) to an entity eligible to receive funds under  
25 a capacity and infrastructure program (as defined in

1 section 251(f)(1)(C) of the Department of Agri-  
2 culture Reorganization Act of 1994 (7 U.S.C.  
3 6971(f)(1)(C))), including a partner of such entity.

4 “(c) COVERED LAW.—In this section, the term ‘cov-  
5 ered law’ means each of the following provisions of law:

6 “(1) This title.

7 “(2) Title XVI of the Food, Agriculture, Con-  
8 servation, and Trade Act of 1990 (7 U.S.C. 5801 et  
9 seq.).

10 “(3) The Agricultural Research, Extension, and  
11 Education Reform Act of 1998 (7 U.S.C. 7601 et  
12 seq.).

13 “(4) Part III of subtitle E of title VII of the  
14 Food, Conservation, and Energy Act of 2008 (7  
15 U.S.C. 3202 et seq.).

16 “(5) The Competitive, Special, and Facilities  
17 Research Grant Act (7 U.S.C. 450i).”.

18 (b) CONFORMING AMENDMENT.—Paragraph (9) of  
19 subsection (b) of the Competitive, Special, and Facilities  
20 Research Grant Act (7 U.S.C. 450i(b)) is amended—

21 (1) by striking subparagraph (B);

22 (2) in the heading, by inserting “FOR EQUIP-  
23 MENT GRANTS” after “FUNDS”;

24 (3) by striking “(A) EQUIPMENT GRANTS.—”;

25 and

1           (4) by redesignating clauses (i) and (ii) as sub-  
2           paragraphs (A) and (B), respectively, and moving  
3           the margins of such subparagraphs two ems to the  
4           left.

5           (c) APPLICATION TO AMENDMENTS.—

6           (1) NEW GRANTS.—Section 1492 of the Na-  
7           tional Agricultural, Research, Extension, and Teach-  
8           ing Policy Act of 1977, as added by subsection (a),  
9           shall apply with respect to grants described in such  
10          section awarded after October 1, 2013, unless the  
11          provision of a covered law under which such grants  
12          are awarded specifically exempts such grants from  
13          the matching funds requirement under such section.

14          (2) EXISTING GRANTS.—A matching funds re-  
15          quirement in effect on or before October 1, 2013,  
16          under a covered law shall continue to apply to a  
17          grant awarded under such provision of law on or be-  
18          fore that date.

19       **Subtitle B—Food, Agriculture, Con-**  
20       **servaion, and Trade Act of 1990**

21       **SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICA-**  
22       **TIONS.**

23          Section 1624 of the Food, Agriculture, Conservation,  
24          and Trade Act of 1990 (7 U.S.C. 5814) is amended in  
25          the first sentence—



1 **SEC. 7204. NATIONAL TRAINING PROGRAM.**

2 Section 1629(i) of the Food, Agriculture, Conserva-  
3 tion, and Trade Act of 1990 (7 U.S.C. 5832(i)) is amend-  
4 ed to read as follows:

5 “(i) **AUTHORIZATION OF APPROPRIATIONS.**—There  
6 are authorized to be appropriated to carry out the Na-  
7 tional Training Program \$20,000,000 for each of fiscal  
8 years 2013 through 2018.”.

9 **SEC. 7205. NATIONAL GENETICS RESOURCES PROGRAM.**

10 Section 1635(b) of the Food, Agriculture, Conserva-  
11 tion, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amend-  
12 ed—

13 (1) by striking “such funds as may be nec-  
14 essary”; and

15 (2) by striking “subtitle” and all that follows  
16 and inserting the following: “subtitle—

17 “(1) such sums as are necessary for each of fis-  
18 cal years 1991 through 2013; and

19 “(2) \$1,000,000 for each of fiscal years 2014  
20 through 2018.”.

21 **SEC. 7206. REPEAL OF NATIONAL AGRICULTURAL WEATH-**  
22 **ER INFORMATION SYSTEM.**

23 Effective October 1, 2013, subtitle D of title XVI of  
24 the Food, Agriculture, Conservation, and Trade Act of  
25 1990 (7 U.S.C. 5851 et seq.) is repealed.

1 **SEC. 7207. REPEAL OF RURAL ELECTRONIC COMMERCE EX-**  
2 **TENSION PROGRAM.**

3 Effective October 1, 2013, section 1670 of the Food,  
4 Agriculture, Conservation, and Trade Act of 1990 (7  
5 U.S.C. 5923) is repealed.

6 **SEC. 7208. REPEAL OF AGRICULTURAL GENOME INITIA-**  
7 **TIVE.**

8 Effective October 1, 2013, section 1671 of the Food,  
9 Agriculture, Conservation, and Trade Act of 1990 (7  
10 U.S.C. 5924) is repealed.

11 **SEC. 7209. HIGH-PRIORITY RESEARCH AND EXTENSION INI-**  
12 **TIATIVES.**

13 Section 1672 of the Food, Agriculture, Conservation,  
14 and Trade Act of 1990 (7 U.S.C. 5925) is amended—

15 (1) in the first sentence of subsection (a), by  
16 striking “subsections (e) through (i)” and inserting  
17 “subsections (e) and (f)”;

18 (2) in subsection (b)(2), in the first sentence,  
19 by striking “subsections (e) through (i)” and insert-  
20 ing “subsections (e) and (f)”;

21 (3) by striking subsections (e), (f), and (i);

22 (4) by redesignating subsections (g), (h), and  
23 (j) as subsections (e), (f), and (g), respectively;

24 (5) in subsection (f) (as redesignated by para-  
25 graph (4))—

1 (A) by striking “2012” each place it ap-  
2 pears in paragraphs (1)(B), (2)(B), and (3)  
3 and inserting “2018”; and

4 (B) in paragraph (4)—

5 (i) in subparagraph (A), by inserting  
6 “and honey bee health disorders” after  
7 “collapse”; and

8 (ii) in subparagraph (B), by inserting  
9 “, including best management practices”  
10 after “strategies”; and

11 (6) in subsection (g) (as redesignated by para-  
12 graph (4)), by striking “2012” and inserting  
13 “2018”.

14 **SEC. 7210. REPEAL OF NUTRIENT MANAGEMENT RESEARCH**  
15 **AND EXTENSION INITIATIVE.**

16 Effective October 1, 2013, section 1672A of the  
17 Food, Agriculture, Conservation, and Trade Act of 1990  
18 (7 U.S.C. 5925a) is repealed.

19 **SEC. 7211. ORGANIC AGRICULTURE RESEARCH AND EXTEN-**  
20 **SION INITIATIVE.**

21 Section 1672B of the Food, Agriculture, Conserva-  
22 tion, and Trade Act of 1990 (7 U.S.C. 5925b) is amend-  
23 ed—

24 (1) by striking subsection (e) and inserting the  
25 following new subsection:

1           “(e) FARM BUSINESS MANAGEMENT ENCOUR-  
2 AGED.—Following the completion of a peer review process  
3 for grant proposals received under this section, the Sec-  
4 retary shall give a priority to grant proposals found in the  
5 review process to be scientifically meritorious using the  
6 same criteria the Secretary uses to give priority to grants  
7 under section 1672D(b).”; and

8                   (2) in subsection (f)—

9                           (A) in paragraph (1)—

10                                   (i) in the heading of such paragraph,  
11                                   by striking “2012” and inserting “2018”;

12                                   (ii) in subparagraph (A), by striking  
13                                   “and” at the end;

14                                   (iii) in subparagraph (B), by striking  
15                                   the period at the end and inserting “;  
16                                   and”;

17                                   (iv) by adding at the end the following  
18                                   new subparagraph:

19                                   “(C) \$20,000,000 for each of fiscal years  
20                                   2014 through 2018.”; and

21                           (B) in paragraph (2)—

22                                   (i) in the heading of such paragraph,  
23                                   by striking “2012” and inserting “2018”;

24                                   and

1 (ii) by striking “2012” and inserting  
2 “2018”.

3 **SEC. 7212. REPEAL OF AGRICULTURAL BIOENERGY FEED-**  
4 **STOCK AND ENERGY EFFICIENCY RESEARCH**  
5 **AND EXTENSION INITIATIVE.**

6 (a) REPEAL.—Effective October 1, 2013, section  
7 1672C of the Food, Agriculture, Conservation, and Trade  
8 Act of 1990 (7 U.S.C. 5925e) is repealed.

9 (b) CONFORMING AMENDMENT.—Section  
10 251(f)(1)(D) of the Department of Agriculture Reorga-  
11 nization Act of 1994 (7 U.S.C. 6971(f)(1)(D)) is amend-  
12 ed—

13 (1) by striking clause (xi); and

14 (2) by redesignating clauses (xii) and (xiii) as  
15 clauses (xi) and (xii), respectively.

16 **SEC. 7213. FARM BUSINESS MANAGEMENT.**

17 Section 1672D(d) of the Food, Agriculture, Con-  
18 servation, and Trade Act of 1990 (7 U.S.C. 5925f(d)) is  
19 amended by striking “such sums as are necessary to carry  
20 out this section.” and inserting the following: “to carry  
21 out this section—

22 “(1) such sums as are necessary for fiscal year  
23 2013; and

24 “(2) \$5,000,000 for each of fiscal years 2014  
25 through 2018.”.

1 **SEC. 7214. CENTERS OF EXCELLENCE.**

2 The Food, Agriculture, Conservation, and Trade Act  
3 of 1990 is amended by inserting after section 1672D (7  
4 U.S.C. 5925f) the following new section:

5 **“SEC. 1673. CENTERS OF EXCELLENCE.**

6 “(a) **FUNDING PRIORITIES.**—The Secretary shall  
7 prioritize centers of excellence established for specific agri-  
8 cultural commodities for the receipt of funding for any  
9 competitive research or extension program administered  
10 by the Secretary.

11 “(b) **COMPOSITION.**—A center of excellence is com-  
12 posed of 1 or more of the eligible entities specified in sub-  
13 section (b)(7) of the Competitive, Special, and Facilities  
14 Research Grant Act (7 U.S.C. 450i(b)(7)) that provide fi-  
15 nancial or in-kind support to the center of excellence.

16 “(c) **CRITERIA FOR CENTERS OF EXCELLENCE.**—

17 “(1) **REQUIRED EFFORTS.**—The criteria for  
18 consideration to be recognized as a center of excel-  
19 lence shall include efforts—

20 “(A) to ensure coordination and cost effec-  
21 tiveness by reducing unnecessarily duplicative  
22 efforts regarding research, teaching, and exten-  
23 sion;

24 “(B) to leverage available resources by  
25 using public/private partnerships among agri-

1 cultural industry groups, institutions of higher  
2 education, and the Federal Government;

3 “(C) to implement teaching initiatives to  
4 increase awareness and effectively disseminate  
5 solutions to target audiences through extension  
6 activities; and

7 “(D) to increase the economic returns to  
8 rural communities by identifying, attracting,  
9 and directing funds to high-priority agricultural  
10 issues.

11 “(2) **ADDITIONAL EFFORTS.**—Where prac-  
12 ticable, the criteria for consideration to be recog-  
13 nized as a center of excellence shall include efforts  
14 to improve teaching capacity and infrastructure at  
15 colleges and universities (including land-grant insti-  
16 tutions, schools of forestry, schools of veterinary  
17 medicine, and NLGCA Institutions).”.

18 **SEC. 7215. REPEAL OF RED MEAT SAFETY RESEARCH CEN-**

19 **TER.**

20 Effective October 1, 2013, section 1676 of the Food,  
21 Agriculture, Conservation, and Trade Act of 1990 (7  
22 U.S.C. 5929) is repealed.

1 **SEC. 7216. ASSISTIVE TECHNOLOGY PROGRAM FOR FARM-**  
2 **ERS WITH DISABILITIES.**

3 Section 1680(c)(1) of the Food, Agriculture, Con-  
4 servation, and Trade Act of 1990 (7 U.S.C. 5933(c)(1))  
5 is amended—

6 (1) by striking “is” and inserting “are”; and

7 (2) by striking “section” and all that follows  
8 and inserting the following: “section—

9 “(A) \$6,000,000 for each of fiscal years  
10 1999 through 2013; and

11 “(B) \$3,000,000 for each of fiscal years  
12 2014 through 2018.”.

13 **SEC. 7217. NATIONAL RURAL INFORMATION CENTER**  
14 **CLEARINGHOUSE.**

15 Section 2381(e) of the Food, Agriculture, Conserva-  
16 tion, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is  
17 amended by striking “2012” and inserting “2018”.

18 **Subtitle C—Agricultural Research,**  
19 **Extension, and Education Re-**  
20 **form Act of 1998**

21 **SEC. 7301. RELEVANCE AND MERIT OF AGRICULTURAL RE-**  
22 **SEARCH, EXTENSION, AND EDUCATION FUND-**  
23 **ED BY THE DEPARTMENT.**

24 Section 103(a)(2) of the Agricultural Research, Ex-  
25 tension, and Education Reform Act of 1998 (7 U.S.C.  
26 7613(a)(2)) is amended—

1 (1) in the heading by striking “MERIT REVIEW  
2 OF EXTENSION” and inserting “RELEVANCE AND  
3 MERIT REVIEW OF RESEARCH, EXTENSION,”;

4 (2) in subparagraph (A)—

5 (A) by inserting “relevance and” before  
6 “merit”; and

7 (B) by striking “extension or education”  
8 and inserting “research, extension, or edu-  
9 cation”; and

10 (3) in subparagraph (B), by inserting “on a  
11 continuous basis” after “procedures”.

12 **SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EX-**  
13 **TENSION COMPETITIVE GRANTS PROGRAM.**

14 Section 406(f) of the Agricultural Research, Exten-  
15 sion, and Education Reform Act of 1998 (7 U.S.C.  
16 7626(f)) is amended by striking “2012” and inserting  
17 “2018”.

18 **SEC. 7303. REPEAL OF COORDINATED PROGRAM OF RE-**  
19 **SEARCH, EXTENSION, AND EDUCATION TO IM-**  
20 **PROVE VIABILITY OF SMALL AND MEDIUM**  
21 **SIZE DAIRY, LIVESTOCK, AND POULTRY OP-**  
22 **ERATIONS.**

23 (a) REPEAL.—Effective October 1, 2013, section 407  
24 of the Agricultural Research, Extension, and Education  
25 Reform Act of 1998 (7 U.S.C. 7627) is repealed.

1 (b) CONFORMING AMENDMENT.—Section  
2 251(f)(1)(D) of the Department of Agriculture Reorga-  
3 nization Act of 1994 (7 U.S.C. 6971(f)(1)(D)), as amend-  
4 ed by section 7212(b), is further amended—

5 (1) by striking clause (xi) (as redesignated by  
6 section 7212(b)); and

7 (2) by redesignating clause (xii) (as redesign-  
8 ated by section 7212(b)) as clause (xi).

9 **SEC. 7304. FUSARIUM GRAMINEARUM GRANTS.**

10 Section 408(e) of the Agricultural Research, Exten-  
11 sion, and Education Reform Act of 1998 (7 U.S.C.  
12 7628(e)) is amended to read as follows:

13 “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
14 are authorized to be appropriated to carry out this sec-  
15 tion—

16 “(1) such sums as may be necessary for each  
17 of fiscal years 1999 through 2013; and

18 “(2) \$7,500,000 for each of fiscal years 2014  
19 through 2018.”.

20 **SEC. 7305. REPEAL OF BOVINE JOHNE’S DISEASE CONTROL**  
21 **PROGRAM.**

22 Effective October 1, 2013, section 409 of the Agricul-  
23 tural Research, Extension, and Education Reform Act of  
24 1998 (7 U.S.C. 7629) is repealed.

1 **SEC. 7306. GRANTS FOR YOUTH ORGANIZATIONS.**

2 Section 410(d) of the Agricultural Research, Exten-  
3 sion, and Education Reform Act of 1998 (7 U.S.C.  
4 7630(d)) is amended by striking “section such sums as  
5 are necessary” and all that follows and inserting the fol-  
6 lowing: “section—

7 “(1) such sums as are necessary for each of fis-  
8 cal years 2008 through 2013; and

9 “(2) \$3,000,000 for each of fiscal years 2014  
10 through 2018.”.

11 **SEC. 7307. SPECIALTY CROP RESEARCH INITIATIVE.**

12 Section 412 of the Agricultural Research, Extension,  
13 and Education Reform Act of 1998 (7 U.S.C. 7632) is  
14 amended—

15 (1) in subsection (b)—

16 (A) in paragraph (1), by striking “and  
17 genomics” and inserting “genomics, and other  
18 methods”; and

19 (B) in paragraph (3), by inserting “han-  
20 dling and processing,” after “production effi-  
21 ciency,”;

22 (2) by striking subsection (d) and inserting the  
23 following new subsection:

24 “(d) RESEARCH PROJECTS.—In carrying out this  
25 section, the Secretary shall award competitive grants on  
26 the basis of—

1           “(1) an initial scientific peer review conducted  
2           by a panel of subject matter experts from Federal  
3           agencies, non-Federal entities, and the specialty crop  
4           industry; and

5           “(2) a final funding determination made by the  
6           Secretary based on a review and ranking for merit,  
7           relevance, and impact conducted by a panel of spe-  
8           cialty crop industry representatives for the specific  
9           specialty crop.”; and

10           (3) in subsection (h)—

11           (A) in paragraph (1)—

12           (i) in the heading, by striking “(1)  
13           MANDATORY FUNDING FOR FISCAL YEARS  
14           2008 THROUGH 2012.—Of the funds” and  
15           inserting the following:

16           “(1) MANDATORY FUNDING.—

17           “(A) FISCAL YEARS 2008 THROUGH 2012.—  
18           Of the funds”; and

19           (ii) by adding at the end the following  
20           new subparagraph:

21           “(B) SUBSEQUENT FUNDING.—Of the  
22           funds of the Commodity Credit Corporation, the  
23           Secretary shall make available to carry out this  
24           section—

1 “(i) \$50,000,000 for fiscal years 2014  
2 and 2015;

3 “(ii) \$55,000,000 for fiscal years  
4 2016 and 2017; and

5 “(iii) \$65,000,000 for fiscal year 2018  
6 and each fiscal year thereafter.”; and

7 (B) in paragraph (2), by striking “2012”  
8 and inserting “2018”.

9 **SEC. 7308. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE**  
10 **PROGRAM.**

11 Section 604(e) of the Agricultural Research, Exten-  
12 sion, and Education Reform Act of 1998 (7 U.S.C.  
13 7642(e)) is amended by striking “2012” and inserting  
14 “2018”.

15 **SEC. 7309. REPEAL OF NATIONAL SWINE RESEARCH CEN-**  
16 **TER.**

17 Effective October 1, 2013, section 612 of the Agricul-  
18 tural Research, Extension, and Education Reform Act of  
19 1998 (Public Law 105–185; 112 Stat. 605) is repealed.

20 **SEC. 7310. OFFICE OF PEST MANAGEMENT POLICY.**

21 Section 614(f) of the Agricultural Research, Exten-  
22 sion, and Education Reform Act of 1998 (7 U.S.C.  
23 7653(f)) is amended—

24 (1) by striking “such sums as are necessary”;

25 and

1           (2) by striking “section” and all that follows  
2           and inserting the following: “section—

3           “(1) such sums as are necessary for each of fis-  
4           cal years 1999 through 2013; and

5           “(2) \$3,000,000 for each of fiscal years 2014  
6           through 2018.”.

7   **SEC. 7311. REPEAL OF STUDIES OF AGRICULTURAL RE-**  
8                           **SEARCH, EXTENSION, AND EDUCATION.**

9           Effective October 1, 2013, subtitle C of title VI of  
10          the Agricultural Research, Extension, and Education Re-  
11          form Act of 1998 (7 U.S.C. 7671 et seq.) is repealed.

12                           **Subtitle D—Other Laws**

13   **SEC. 7401. CRITICAL AGRICULTURAL MATERIALS ACT.**

14          Section 16(a) of the Critical Agricultural Materials  
15          Act (7 U.S.C. 178n(a)) is amended—

16                 (1) by striking “such sums as are necessary”;  
17                 and

18                 (2) by striking “Act” and all that follows and  
19                 inserting the following: “Act—

20                 “(1) such sums as are necessary for each of fis-  
21                 cal years 1991 through 2013; and

22                 “(2) \$2,000,000 for each of fiscal years 2014  
23                 through 2018.”.

1 **SEC. 7402. EQUITY IN EDUCATIONAL LAND-GRANT STATUS**

2 **ACT OF 1994.**

3 (a) DEFINITION OF 1994 INSTITUTIONS.—Section  
4 532 of the Equity in Educational Land-Grant Status Act  
5 of 1994 (7 U.S.C. 301 note; Public Law 103–382) is  
6 amended—

7 (1) in paragraph (8), by striking “Memorial”;

8 (2) in paragraph (26), by striking “Communi-  
9 nity”;

10 (3) by striking paragraphs (5), (10), and (27);

11 (4) by redesignating paragraphs (1), (2), (3),  
12 (4), (6), (7), (8), (9), (14), (15), (16), (17), (18),  
13 (19), (20), (21), (22), (23), (24), (25), (26), (28),  
14 (29), (30), (31), (32), (33), and (34) as paragraphs  
15 (2), (3), (4), (7), (8), (9), (5), (10), (15), (17), (18),  
16 (19), (20), (22), (23), (24), (25), (32), (26), (27),  
17 (28), (29), (30), (31), (33), (34), (35), and (14), re-  
18 spectively, and transferring the paragraphs so as to  
19 appear in numerical order;

20 (5) by inserting before paragraph (2) (as so re-  
21 designated), the following new paragraph:

22 “(1) Aaniih Nakoda College.”;

23 (6) by inserting after paragraph (5) (as so re-  
24 designated), the following new paragraph:

25 “(6) College of the Muscogee Nation.”;

1 (7) by inserting after paragraph (15) (as so re-  
2 designated) the following new paragraph:

3 “(16) Keweenaw Bay Ojibwa Community Col-  
4 lege.”; and

5 (8) by inserting after paragraph (20) (as so re-  
6 designated) the following new paragraph:

7 “(21) Navajo Technical College.”.

8 (b) ENDOWMENT FOR 1994 INSTITUTIONS.—Section  
9 533(b) of the Equity in Educational Land-Grant Status  
10 Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)  
11 is amended in the first sentence by striking “2012” and  
12 inserting “2018”.

13 (c) INSTITUTIONAL CAPACITY BUILDING GRANTS.—  
14 Section 535 of the Equity in Educational Land-Grant Sta-  
15 tus Act of 1994 (7 U.S.C. 301 note; Public Law 103–  
16 382) is amended by striking “2012” each place it appears  
17 in subsections (b)(1) and (c) and inserting “2018”.

18 (d) RESEARCH GRANTS.—

19 (1) AUTHORIZATION OF APPROPRIATIONS.—  
20 Section 536(c) of the Equity in Educational Land-  
21 Grant Status Act of 1994 (7 U.S.C. 301 note; Pub-  
22 lic Law 103–382) is amended in the first sentence  
23 by striking “2012” and inserting “2018”.

24 (2) RESEARCH GRANT REQUIREMENTS.—Sec-  
25 tion 536(b) of the Equity in Educational Land-

1 Grant Status Act of 1994 (7 U.S.C. 301 note; Pub-  
2 lic Law 103–382) is amended by striking “with at  
3 least 1 other land-grant college or university” and  
4 all that follows and inserting the following: “with—

5 “(1) the Agricultural Research Service of the  
6 Department of Agriculture; or

7 “(2) at least 1—

8 “(A) other land-grant college or university  
9 (exclusive of another 1994 Institution);

10 “(B) non-land-grant college of agriculture  
11 (as defined in section 1404 of the National Ag-  
12 ricultural Research, Extension, and Teaching  
13 Policy Act of 1977 (7 U.S.C. 3103)); or

14 “(C) cooperating forestry school (as de-  
15 fined in that section).”.

16 **SEC. 7403. RESEARCH FACILITIES ACT.**

17 Section 6(a) of the Research Facilities Act (7 U.S.C.  
18 390d(a)) is amended by striking “2012” and inserting  
19 “2018”.

20 **SEC. 7404. REPEAL OF CARBON CYCLE RESEARCH.**

21 Effective October 1, 2013, section 221 of the Agricul-  
22 tural Risk Protection Act of 2000 (7 U.S.C. 6711) is re-  
23 pealed.

1 **SEC. 7405. COMPETITIVE, SPECIAL, AND FACILITIES RE-**  
2 **SEARCH GRANT ACT.**

3 (a) **EXTENSION.**—Subsection (b)(11)(A) of the Com-  
4 petitive, Special, and Facilities Research Grant Act (7  
5 U.S.C. 450i(b)(11)(A)) is amended in the matter pre-  
6 ceding clause (i) by striking “2012” and inserting “2018”.

7 (b) **PRIORITY AREAS.**—Subsection (b)(2) of the Com-  
8 petitive, Special, and Facilities Research Grant Act (7  
9 U.S.C. 450i(b)(2)) is amended—

10 (1) in subparagraph (A)—

11 (A) in clause (vi), by striking “and” at the  
12 end;

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

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

17 “(viii) plant-based foods that are  
18 major sources of nutrients of concern (as  
19 determined by the Secretary).”;

20 (2) in subparagraph (B)—

21 (A) in clause (vii), by striking “and” at the  
22 end;

23 (B) in clause (viii), by striking the period  
24 at the end and inserting a semicolon; and

25 (C) by adding at the end the following new  
26 clauses:

1           “(ix) the research and development of  
2           surveillance methods, vaccines, vaccination  
3           delivery systems, or diagnostic tests for  
4           pests and diseases (especially zoonotic dis-  
5           eases) in wildlife reservoirs presenting a  
6           potential concern to public health or do-  
7           mestic livestock and pests and diseases in  
8           minor species (including deer, elk, and  
9           bison); and

10           “(x) the identification of animal drug  
11           needs and the generation and dissemina-  
12           tion of data for safe and effective thera-  
13           peutic applications of animal drugs for  
14           minor species and minor uses of such  
15           drugs in major species.”;

16           (3) in subparagraph (C)—

17           (A) in clause (ii), by inserting before the  
18           semicolon “, including the effects of plant-based  
19           foods that are major sources of nutrients of  
20           concern on diet and health”;

21           (B) in clause (iii), by inserting before the  
22           semicolon “, including plant-based foods that  
23           are major sources of nutrients of concern”;

24           (C) in clause (iv), by inserting before the  
25           semicolon “, including postharvest practices

1 conducted with respect to plant-based foods  
2 that are major sources of nutrients of concern”;  
3 and

4 (D) in clause (v), by inserting before the  
5 period “, including improving the functionality  
6 of plant-based foods that are major sources of  
7 nutrients of concern”;

8 (4) in subparagraph (D)—

9 (A) by redesignating clauses (iv), (v), and  
10 (vi) as clauses (v), (vi), and (vii), respectively;  
11 and

12 (B) by inserting after clause (iii) the fol-  
13 lowing new clause:

14 “(iv) the effectiveness of conservation  
15 practices and technologies designed to ad-  
16 dress nutrient losses and improve water  
17 quality;”; and

18 (5) in subparagraph (F)—

19 (A) in the matter preceding clause (i), by  
20 inserting “economics,” after “trade,”;

21 (B) by redesignating clauses (v) and (vi)  
22 as clauses (vi) and (vii), respectively; and

23 (C) by inserting after clause (iv) the fol-  
24 lowing new clause:

1                   “(v) the economic costs, benefits, and  
2                   viability of producers adopting conserva-  
3                   tion practices and technologies designed to  
4                   improve water quality;”.

5           (c) GENERAL ADMINISTRATION.—Subsection (b)(4)  
6 of the Competitive, Special, and Facilities Research Grant  
7 Act (7 U.S.C. 450i(b)(4)) is amended—

8           (1) in subparagraph (D), by striking “and” at  
9           the end;

10           (2) in subparagraph (E), by striking the period  
11           at the end and inserting “; and”; and

12           (3) by adding at the end the following new sub-  
13           paragraph:

14                   “(F) establish procedures under which a  
15                   commodity board established under a com-  
16                   modity promotion law (as such term is defined  
17                   under section 501(a) of the Federal Agriculture  
18                   Improvement and Reform Act of 1996 (7  
19                   U.S.C. 7401(a))) or a State commodity board  
20                   (or other equivalent State entity) may directly  
21                   submit to the Secretary proposals for requests  
22                   for applications to specifically address par-  
23                   ticular issues related to the priority areas speci-  
24                   fied in paragraph (2).”.

1 (d) SPECIAL CONSIDERATIONS.—Subsection (b)(6) of  
2 the Competitive, Special, and Facilities Research Grant  
3 Act (7 U.S.C. 450i(b)(6)) is amended—

4 (1) in subparagraph (C), by striking “and” at  
5 the end;

6 (2) in subparagraph (D), by striking the period  
7 at the end and inserting “; and”; and

8 (3) by adding at the end the following new sub-  
9 paragraph:

10 “(E) to eligible entities to carry out the  
11 specific research proposals submitted under  
12 procedures established under paragraph  
13 (4)(F).”.

14 (e) ELIGIBLE ENTITIES.—Subsection (b)(7)(G) of  
15 the Competitive, Special, and Facilities Research Grant  
16 Act (7 U.S.C. 450i(b)(7)(G)) is amended by striking “or  
17 corporations” and inserting “, foundations, or corpora-  
18 tions”.

19 (f) INTER-REGIONAL RESEARCH PROJECT NUMBER  
20 4.—Subsection (e) of the Competitive, Special, and Facili-  
21 ties Research Grant Act (7 U.S.C. 450i(e)) is amended—

22 (1) in paragraph (1)(A), by striking “minor use  
23 pesticides” and inserting “pesticides for minor agri-  
24 cultural use and for use on specialty crops (as de-

1        fined in section 3 of the Specialty Crop Competitive-  
2        ness Act of 2004 (7 U.S.C. 1621 note)”; and

3                (2) in paragraph (4)—

4                        (A) in subparagraph (A), by inserting  
5                        “and for use on specialty crops” after “minor  
6                        agricultural use”;

7                        (B) in subparagraph (B), by striking  
8                        “and” at the end;

9                        (C) by redesignating subparagraph (C) as  
10                       subparagraph (G); and

11                       (D) by inserting after subparagraph (B)  
12                       the following new subparagraphs:

13                               “(C) prioritize potential pest management  
14                               technology for minor agricultural use and for  
15                               use on specialty crops;

16                               “(D) conduct research to develop the data  
17                               necessary to facilitate pesticide registrations,  
18                               reregistrations, and associated tolerances;

19                               “(E) assist in removing trade barriers  
20                               caused by residues of pesticides registered for  
21                               minor agricultural use and for use on domesti-  
22                               cally grown specialty crops;

23                               “(F) assist in the registration and rereg-  
24                               istration of pest management technologies for



1 **SEC. 7409. REPEAL OF REPORTS UNDER FARM SECURITY**  
2 **AND RURAL INVESTMENT ACT OF 2002.**

3 (a) REPEAL OF REPORT ON PRODUCERS AND HAN-  
4 DLERS FOR ORGANIC PRODUCTS.—Effective October 1,  
5 2013, section 7409 of the Farm Security and Rural In-  
6 vestment Act of 2002 (7 U.S.C. 5925b note; Public Law  
7 107–171) is repealed.

8 (b) REPEAL OF REPORT ON GENETICALLY MODI-  
9 FIED PEST-PROTECTED PLANTS.—Effective October 1,  
10 2013, section 7410 of the Farm Security and Rural In-  
11 vestment Act of 2002 (Public Law 107–171; 116 Stat.  
12 462) is repealed.

13 (c) REPEAL OF STUDY ON NUTRIENT BANKING.—  
14 Effective October 1, 2013, section 7411 of the Farm Secu-  
15 rity and Rural Investment Act of 2002 (7 U.S.C. 5925a  
16 note; Public Law 107–171) is repealed.

17 **SEC. 7410. BEGINNING FARMER AND RANCHER DEVELOP-**  
18 **MENT PROGRAM.**

19 Section 7405 of the Farm Security and Rural Invest-  
20 ment Act of 2002 (7 U.S.C. 3319f) is amended—

21 (1) in subsection (c)—

22 (A) in paragraph (1), by striking subpara-  
23 graphs (A) through (R) and inserting the fol-  
24 lowing new subparagraphs:

25 “(A) basic livestock, forest management,  
26 and crop farming practices;

1           “(B) innovative farm, ranch, and private,  
2 nonindustrial forest land transfer strategies;

3           “(C) entrepreneurship and business train-  
4 ing;

5           “(D) financial and risk management train-  
6 ing (including the acquisition and management  
7 of agricultural credit);

8           “(E) natural resource management and  
9 planning;

10          “(F) diversification and marketing strate-  
11 gies;

12          “(G) curriculum development;

13          “(H) mentoring, apprenticeships, and in-  
14 ternships;

15          “(I) resources and referral;

16          “(J) farm financial benchmarking;

17          “(K) assisting beginning farmers or ranch-  
18 ers in acquiring land from retiring farmers and  
19 ranchers;

20          “(L) agricultural rehabilitation and voca-  
21 tional training for veterans; and

22          “(M) other similar subject areas of use to  
23 beginning farmers or ranchers.”;

24           (B) in paragraph (7), by striking “and  
25 community-based organizations” and inserting

1 “, community-based organizations, and school-  
2 based agricultural educational organizations”;

3 (C) by striking paragraph (8) and insert-  
4 ing the following new paragraph:

5 “(8) MILITARY VETERAN BEGINNING FARMERS  
6 AND RANCHERS.—

7 “(A) IN GENERAL.—Not less than 5 per-  
8 cent of the funds used to carry out this sub-  
9 section for a fiscal year shall be used to support  
10 programs and services that address the needs of  
11 military veteran beginning farmers and ranch-  
12 ers.

13 “(B) COORDINATION PERMITTED.—A re-  
14 cipient of a grant under this section using the  
15 grant as described in subparagraph (A) may co-  
16 ordinate with a recipient of a grant under sec-  
17 tion 1680 of the Food, Agriculture, Conserva-  
18 tion, and Trade Act of 1990 (7 U.S.C. 5933)  
19 in addressing the needs of military veteran be-  
20 ginning farmers and ranchers with disabili-  
21 ties.”; and

22 (D) by adding at the end the following new  
23 paragraph:

24 “(11) LIMITATION ON INDIRECT COSTS.—A re-  
25 cipient of a grant under this section may not use

1 more than 10 percent of the funds provided by the  
2 grant for the indirect costs of carrying out the ini-  
3 tiatives described in paragraph (1).”;

4 (2) in subsection (h)(1)—

5 (A) in the heading of such paragraph, by  
6 striking “2012” and inserting “2018”;

7 (B) in subparagraph (A), by striking  
8 “and” at the end;

9 (C) in subparagraph (B), by striking the  
10 period at the end and inserting “; and”; and

11 (D) by adding at the end the following new  
12 subparagraph:

13 “(C) \$20,000,000 for each of fiscal years  
14 2014 through 2018, to remain available until  
15 expended.”; and

16 (3) in subsection (h)(2)—

17 (A) in the heading of such paragraph, by  
18 striking “2012” and inserting “2018”; and

19 (B) by striking “2012” and inserting  
20 “2018”.

21 **SEC. 7411. INCLUSION OF NORTHERN MARIANA ISLANDS AS**  
22 **A STATE UNDER MCINTIRE-STENNIS COOPER-**  
23 **ATIVE FORESTRY ACT.**

24 Section 8 of Public Law 87–788 (commonly known  
25 as the McIntire-Stennis Cooperative Forestry Act; 16

1 U.S.C. 582a–7) is amended by striking “and Guam” and  
2 inserting “Guam, and the Commonwealth of the Northern  
3 Mariana Islands”.

4 **Subtitle E—Food, Conservation,**  
5 **and Energy Act of 2008**

6 **PART 1—AGRICULTURAL SECURITY**

7 **SEC. 7501. AGRICULTURAL BIOSECURITY COMMUNICATION**  
8 **CENTER.**

9 Section 14112(c) of the Food, Conservation, and En-  
10 ergy Act of 2008 (7 U.S.C. 8912(c)) is amended to read  
11 as follows:

12 “(c) **AUTHORIZATION OF APPROPRIATIONS.**—There  
13 are authorized to be appropriated to carry out this sec-  
14 tion—

15 “(1) such sums as are necessary for each of fis-  
16 cal years 2008 through 2013; and

17 “(2) \$2,000,000 for each of fiscal years 2014  
18 through 2018.”.

19 **SEC. 7502. ASSISTANCE TO BUILD LOCAL CAPACITY IN AG-**  
20 **RICULTURAL BIOSECURITY PLANNING, PREP-**  
21 **ARATION, AND RESPONSE.**

22 Section 14113 of the Food, Conservation, and En-  
23 ergy Act of 2008 (7 U.S.C. 8913) is amended—

24 (1) in subsection (a)(2)—

1 (A) by striking “such sums as may be nec-  
2 essary”; and

3 (B) by striking “subsection” and all that  
4 follows and inserting the following: “sub-  
5 section—

6 “(1) such sums as are necessary for each of fis-  
7 cal years 2008 through 2013; and

8 “(2) \$15,000,000 for each of fiscal years 2014  
9 through 2018.”; and

10 (2) in subsection (b)(2), by striking “is author-  
11 ized to be appropriated to carry out this subsection”  
12 and all that follows and inserting the following: “are  
13 authorized to be appropriated to carry out this sub-  
14 section—

15 “(1) \$25,000,000 for each of fiscal years 2008  
16 through 2013; and

17 “(2) \$15,000,000 for each of fiscal years 2014  
18 through 2018.”.

19 **SEC. 7503. RESEARCH AND DEVELOPMENT OF AGRICUL-**  
20 **TURAL COUNTERMEASURES.**

21 Section 14121(b) of the Food, Conservation, and En-  
22 ergy Act of 2008 (7 U.S.C. 8921(b)) is amended by strik-  
23 ing “is authorized to be appropriated to carry out this sec-  
24 tion” and all that follows and inserting the following: “are  
25 authorized to be appropriated to carry out this section—



1 **SEC. 7512. GRAZINGLANDS RESEARCH LABORATORY.**

2 Section 7502 of the Food, Conservation, and Energy  
3 Act of 2008 (Public Law 110–246; 122 Stat. 2019) is  
4 amended by striking “5-year period” and inserting “10-  
5 year period”.

6 **SEC. 7513. BUDGET SUBMISSION AND FUNDING.**

7 Section 7506 of the Food, Conservation, and Energy  
8 Act of 2008 (7 U.S.C. 7614e) is amended—

9 (1) by striking subsection (a) and inserting the  
10 following new subsection:

11 “(a) **DEFINITIONS.**—In this section:

12 “(1) **COVERED PROGRAM.**—The term ‘covered  
13 program’ means—

14 “(A) each research program carried out by  
15 the Agricultural Research Service or the Eco-  
16 nomic Research Service for which annual appro-  
17 priations are requested in the annual budget  
18 submission of the President; and

19 “(B) each competitive program carried out  
20 by the National Institute of Food and Agri-  
21 culture for which annual appropriations are re-  
22 quested in the annual budget submission of the  
23 President.

24 “(2) **REQUEST FOR AWARDS.**—The term ‘re-  
25 quest for awards’ means a funding announcement  
26 published by the National Institute of Food and Ag-

1       riculture that provides detailed information on fund-  
2       ing opportunities at the Institute, including the pur-  
3       pose, eligibility, restriction, focus areas, evaluation  
4       criteria, regulatory information, and instructions on  
5       how to apply for such opportunities.”; and

6               (2) by adding at the end the following new sub-  
7       sections:

8       “(e) ADDITIONAL PRESIDENTIAL BUDGET SUBMIS-  
9       SION REQUIREMENT.—

10              “(1) IN GENERAL.—Each year, the President  
11       shall submit to Congress, together with the annual  
12       budget submission of the President, the information  
13       described in paragraph (2) for each funding request  
14       for a covered program.

15              “(2) INFORMATION DESCRIBED.—The informa-  
16       tion described in this paragraph includes—

17                      “(A) baseline information, including with  
18       respect to each covered program—

19                              “(i) the funding level for the program  
20       for the fiscal year preceding the year the  
21       annual budget submission of the President  
22       is submitted;

23                              “(ii) the funding level requested in the  
24       annual budget submission of the President,

1 including any increase or decrease in the  
2 funding level; and

3 “(iii) an explanation justifying any  
4 change from the funding level specified in  
5 clause (i) to the level specified in clause  
6 (ii);

7 “(B) with respect to each covered program  
8 that is carried out by the Economic Research  
9 Service or the Agricultural Research Service,  
10 the location and staff years of the program;

11 “(C) the proposed funding levels to be allo-  
12 cated to, and the expected publication date,  
13 scope, and allocation level for, each request for  
14 awards to be published under or associated  
15 with—

16 “(i) each priority area specified in  
17 subsection (b)(2) of the Competitive, Spe-  
18 cial, and Facilities Research Grant Act (7  
19 U.S.C. 450i(b)(2));

20 “(ii) each research and extension  
21 project carried out under section 1621(a)  
22 of the Food, Agriculture, Conservation,  
23 and Trade Act of 1990 (7 U.S.C.  
24 5811(a));

1           “(iii) each grant to be awarded under  
2           section 1672B(a) of the Food, Agriculture,  
3           Conservation, and Trade Act of 1990 (7  
4           U.S.C. 5925b(a));

5           “(iv) each grant awarded under sec-  
6           tion 412(d) of the Agricultural Research,  
7           Extension, and Education Reform Act of  
8           1998 (7 U.S.C. 7632(d)); and

9           “(v) each grant awarded under  
10          7405(c)(1) of the Farm Security and  
11          Rural Investment Act of 2002 (7 U.S.C.  
12          3319f(e)(1)); or

13          “(D) any other information the Secretary  
14          determines will increase congressional oversight  
15          with respect to covered programs.

16          “(3) PROHIBITION.—Unless the President sub-  
17          mits the information described in paragraph (2)(C)  
18          for a fiscal year, the President may not carry out  
19          any program during the fiscal year that is author-  
20          ized under—

21                 “(A) subsection (b) of the Competitive,  
22                 Special, and Facilities Research Grant Act (7  
23                 U.S.C. 450i(b));

1           “(B) section 1621 of the Food, Agri-  
2           culture, Conservation, and Trade Act of 1990  
3           (7 U.S.C. 5811);

4           “(C) section 1672B of the Food, Agri-  
5           culture, Conservation, and Trade Act of 1990  
6           (7 U.S.C. 5925b);

7           “(D) section 412 of the Agricultural Re-  
8           search, Extension, and Education Reform Act  
9           of 1998 (7 U.S.C. 7632); or

10           “(E) section 7405 of the Farm Security  
11           and Rural Investment Act of 2002 (7 U.S.C.  
12           3319f).

13           “(f) REPORT OF THE SECRETARY OF AGRI-  
14           CULTURE.—Each year on a date that is not later than  
15           the date on which the President submits the annual budg-  
16           et, the Secretary shall submit to Congress a report con-  
17           taining a description of the agricultural research, exten-  
18           sion, and education activities carried out by the Federal  
19           Government during the fiscal year that immediately pre-  
20           cedes the year for which the report is submitted, includ-  
21           ing—

22           “(1) a review of the extent to which those ac-  
23           tivities—

24           “(A) are duplicative or overlap within the  
25           Department of Agriculture; or

1           “(B) are similar to activities carried out  
2           by—

3                   “(i) other Federal agencies;

4                   “(ii) the States (including the District  
5                   of Columbia, the Commonwealth of Puerto  
6                   Rico and other territories or possessions of  
7                   the United States);

8                   “(iii) institutions of higher education  
9                   (as defined in section 101 of the Higher  
10                  Education Act of 1965 (20 U.S.C. 1001));

11                  or

12                  “(iv) the private sector; and

13                  “(2) for each report submitted under this sec-  
14                  tion on or after January 1, 2013, a 5-year projection  
15                  of national priorities with respect to agricultural re-  
16                  search, extension, and education, taking into account  
17                  domestic needs.”.

18   **SEC. 7514. REPEAL OF RESEARCH AND EDUCATION GRANTS**  
19                   **FOR THE STUDY OF ANTIBIOTIC-RESISTANT**  
20                   **BACTERIA.**

21                  Effective October 1, 2013, section 7521 of the Food,  
22                  Conservation, and Energy Act of 2008 (7 U.S.C. 3202)  
23                  is repealed.

1 **SEC. 7515. REPEAL OF FARM AND RANCH STRESS ASSIST-**  
2 **ANCE NETWORK.**

3 Effective October 1, 2013, section 7522 of the Food,  
4 Conservation, and Energy Act of 2008 (7 U.S.C. 5936)  
5 is repealed.

6 **SEC. 7516. REPEAL OF SEED DISTRIBUTION.**

7 Effective October 1, 2013, section 7523 of the Food,  
8 Conservation, and Energy Act of 2008 (7 U.S.C. 415–1)  
9 is repealed.

10 **SEC. 7517. NATURAL PRODUCTS RESEARCH PROGRAM.**

11 Section 7525(e) of the Food, Conservation, and En-  
12 ergy Act of 2008 (7 U.S.C. 5937(e)) is amended to read  
13 as follows:

14 “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
15 are authorized to be appropriated to carry out this section  
16 \$7,000,000 for each of fiscal years 2014 through 2018.”.

17 **SEC. 7518. SUN GRANT PROGRAM.**

18 (a) IN GENERAL.—Section 7526 of the Food, Con-  
19 servation, and Energy Act of 2008 (7 U.S.C. 8114) is  
20 amended—

21 (1) in subsection (a)(4)(B), by striking “the  
22 Department of Energy” and inserting “other appro-  
23 priate Federal agencies (as determined by the Sec-  
24 retary)”;

25 (2) in subsection (c)(1)—

1 (A) in subparagraph (B), by striking  
2 “multistate” and all that follows through the  
3 period and inserting “integrated, multistate re-  
4 search, extension, and education programs on  
5 technology development and technology imple-  
6 mentation.”;

7 (B) by striking subparagraph (C); and

8 (C) by redesignating subparagraph (D) as  
9 subparagraph (C);

10 (3) in subsection (d)—

11 (A) in paragraph (1)—

12 (i) by striking “in accordance with  
13 paragraph (2)”;

14 (ii) by striking “gasification” and in-  
15 serting “bioproducts”; and

16 (iii) by striking “the Department of  
17 Energy” and inserting “other appropriate  
18 Federal agencies”;

19 (B) by striking paragraph (2); and

20 (C) by redesignating paragraphs (3) and  
21 (4) as paragraphs (2) and (3), respectively; and

22 (4) in subsection (g), by striking “2012” and  
23 inserting “2018”.

24 (b) CONFORMING AMENDMENTS.—Section  
25 7526(f)(1) of the Food, Conservation, and Energy Act of

1 2008 (7 U.S.C. 8114(f)(1)) is amended by striking “sub-  
2 section (c)(1)(D)(i)” and inserting “subsection  
3 (c)(1)(C)(i)”.

4 **SEC. 7519. REPEAL OF STUDY AND REPORT ON FOOD**  
5 **DESERTS.**

6 Effective October 1, 2013, section 7527 of the Food,  
7 Conservation, and Energy Act of 2008 (Public Law 110–  
8 246; 122 Stat. 2039) is repealed.

9 **SEC. 7520. REPEAL OF AGRICULTURAL AND RURAL TRANS-**  
10 **PORTATION RESEARCH AND EDUCATION.**

11 Effective October 1, 2013, section 7529 of the Food,  
12 Conservation, and Energy Act of 2008 (7 U.S.C. 5938)  
13 is repealed.

14 **Subtitle F—Miscellaneous**  
15 **Provisions**

16 **SEC. 7601. AGREEMENTS WITH NONPROFIT ORGANIZA-**  
17 **TIONS FOR NATIONAL ARBORETUM.**

18 Section 6 of the Act of March 4, 1927 (20 U.S.C.  
19 196), is amended—

20 (1) in subsection (a), by striking paragraph (1)  
21 and inserting the following new paragraph:

22 “(1) negotiate agreements for the National Ar-  
23 boretum with nonprofit scientific or educational or-  
24 ganizations, the interests of which are complemen-  
25 tary to the mission of the National Arboretum, or

1 nonprofit organizations that support the purpose of  
2 the National Arboretum, except that the net pro-  
3 ceeds of the organizations from the agreements shall  
4 be used exclusively for research and educational  
5 work for the benefit of the National Arboretum and  
6 the operation and maintenance of the facilities of the  
7 National Arboretum, including enhancements, up-  
8 grades, restoration, and conservation;” and

9 (2) by adding at the end the following new sub-  
10 section:

11 “(d) RECOGNITION OF DONORS.—A non-profit orga-  
12 nization that entered into an agreement under subsection  
13 (a)(1) may recognize donors if that recognition is ap-  
14 proved in advance by the Secretary. In considering wheth-  
15 er to approve such recognition, the Secretary shall broadly  
16 exercise the discretion of the Secretary to the fullest extent  
17 allowed under Federal law in effect on the date of the en-  
18 actment of this subsection.”.

19 **SEC. 7602. COTTON DISEASE RESEARCH REPORT.**

20 Not later than 180 days after the date of the enact-  
21 ment of this Act, the Secretary shall submit to Congress  
22 a report on the fungus fusarium oxysporum f. sp.  
23 vasinfectum race 4 (referred to in this section as “FOV  
24 Race 4”) and the impact of such fungus on cotton, includ-  
25 ing—

1 (1) an overview of the threat FOV Race 4 poses  
2 to the cotton industry in the United States;

3 (2) the status and progress of Federal research  
4 initiatives to detect, contain, or eradicate FOV Race  
5 4, including current FOV Race 4-specific research  
6 projects; and

7 (3) a comprehensive strategy to combat FOV  
8 Race 4 that establishes—

9 (A) detection and identification goals;

10 (B) containment goals;

11 (C) eradication goals; and

12 (D) a plan to partner with the cotton in-  
13 dustry in the United States to maximize re-  
14 sources, information sharing, and research re-  
15 sponsiveness and effectiveness.

16 **SEC. 7603. ACCEPTANCE OF FACILITY FOR AGRICULTURAL**  
17 **RESEARCH SERVICE.**

18 (a) CONSTRUCTION AUTHORIZED.—Subject to sub-  
19 sections (b) and (c), the Secretary of Agriculture may au-  
20 thorize a non-Federal entity to construct, at no cost and  
21 without obligation to the Federal Government, a facility  
22 for use by the Agricultural Research Service on land  
23 owned by the Agricultural Research Service and managed  
24 by the Secretary.

25 (b) ACCEPTANCE OF GIFT.—

1           (1) IN GENERAL.—Subject to paragraph (2),  
2           upon the completion of the construction of the facil-  
3           ity by the non-Federal entity under subsection (a),  
4           the Secretary shall accept the facility as a gift in ac-  
5           cordance with Public Law 95–442 (7 U.S.C. 2269).

6           (2) CERTIFICATION.—The Secretary, in con-  
7           sultation with the Director of the Office of Manage-  
8           ment and Budget, shall certify in advance that the  
9           acceptance under paragraph (1) complies with the  
10          limitations specified in paragraphs (1) and (2) of  
11          subsection (c).

12          (c) LIMITATIONS.—

13           (1) VALUE.—The Secretary may not accept a  
14           facility as a gift under this section if the fair market  
15           value of the facility is more than \$5,000,000.

16           (2) NO FEDERAL COST.—The Secretary shall  
17           not enter into any acquisitions, demonstrations, ex-  
18           changes, grants, contracts, incentives, leases, pro-  
19           curements, sales, or other transaction authorities or  
20           arrangements that would obligate future appropria-  
21           tions with respect to the facility constructed under  
22           subsection (a).

23          (d) TERMINATION OF AUTHORITY.—No facility may  
24          be accepted by the Secretary for use by the Agricultural

1 Research Service under this section after September 30,  
2 2018.

3 **SEC. 7604. MISCELLANEOUS TECHNICAL CORRECTIONS.**

4 Sections 7408 and 7409 of the Food, Conservation,  
5 and Energy Act of 2008 (Public Law 110–246; 122 Stat.  
6 2013) are both amended by striking “Title III of the De-  
7 partment of Agriculture Reorganization Act of 1994” and  
8 inserting “Title III of the Federal Crop Insurance Reform  
9 and Department of Agriculture Reorganization Act of  
10 1994”.

11 **TITLE VIII—FORESTRY**  
12 **Subtitle A—Repeal of Certain**  
13 **Forestry Programs**

14 **SEC. 8001. FOREST LAND ENHANCEMENT PROGRAM.**

15 (a) REPEAL.—Section 4 of the Cooperative Forestry  
16 Assistance Act of 1978 (16 U.S.C. 2103) is repealed.

17 (b) CONFORMING AMENDMENT.—Section 8002 of the  
18 Farm Security and Rural Investment Act of 2002 (Public  
19 Law 107–171; 16 U.S.C. 2103 note) is amended by strik-  
20 ing subsection (a).

21 (c) EFFECTIVE DATE.—The amendments made by  
22 this section shall take effect on October 1, 2013.

23 **SEC. 8002. WATERSHED FORESTRY ASSISTANCE PROGRAM.**

24 (a) REPEAL.—Section 6 of the Cooperative Forestry  
25 Assistance Act of 1978 (16 U.S.C. 2103b) is repealed.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall take effect on October 1, 2013.

3 **SEC. 8003. EXPIRED COOPERATIVE NATIONAL FOREST**  
4 **PRODUCTS MARKETING PROGRAM.**

5 Section 18 of the Cooperative Forestry Assistance  
6 Act of 1978 (16 U.S.C. 2112) is repealed.

7 **SEC. 8004. HISPANIC-SERVING INSTITUTION AGRICUL-**  
8 **TURAL LAND NATIONAL RESOURCES LEAD-**  
9 **ERSHIP PROGRAM.**

10 (a) REPEAL.—Section 8402 of the Food, Conserva-  
11 tion, and Energy Act of 2008 (16 U.S.C. 1649a) is re-  
12 pealed.

13 (b) EFFECTIVE DATE.—The amendment made by  
14 this section shall take effect on October 1, 2013.

15 **SEC. 8005. TRIBAL WATERSHED FORESTRY ASSISTANCE**  
16 **PROGRAM.**

17 (a) REPEAL.—Section 303 of the Healthy Forests  
18 Restoration Act of 2003 (16 U.S.C. 6542) is repealed.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall take effect on October 1, 2013.

21 **SEC. 8006. SEPARATE FOREST SERVICE DECISIONMAKING**  
22 **AND APPEALS PROCESS.**

23 Section 322 of the Department of the Interior and  
24 Related Agencies Appropriations Act, 1993 (Public Law  
25 102–381; 16 U.S.C. 1612 note) is repealed. Section 428

1 of division E of the Consolidated Appropriations Act, 2012  
2 (Public Law 112–74; 125 Stat. 1046; 16 U.S.C. 6515  
3 note) shall not apply to any project or activity imple-  
4 menting a land and resource management plan developed  
5 under section 6 of the Forest and Rangeland Renewable  
6 Resources Planning Act of 1974 (16 U.S.C. 1604) that  
7 is categorically excluded from documentation in an envi-  
8 ronmental assessment or an environmental impact state-  
9 ment under the National Environmental Policy Act of  
10 1969 (42 U.S.C. 4321 et seq.).

11 **Subtitle B—Reauthorization of Co-**  
12 **operative Forestry Assistance**  
13 **Act of 1978 Programs**

14 **SEC. 8101. STATE-WIDE ASSESSMENT AND STRATEGIES FOR**  
15 **FOREST RESOURCES.**

16 Section 2A(c) of the Cooperative Forestry Assistance  
17 Act of 1978 (16 U.S.C. 2101a(c)) is amended—

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

19 (2) by redesignating paragraph (5) as para-  
20 graph (6); and

21 (3) by inserting after paragraph (4) the fol-  
22 lowing new paragraph:

23 “(5) as feasible, appropriate military installa-  
24 tions where the voluntary participation and manage-  
25 ment of private or State-owned or other public

1 forestland is able to support, promote, and con-  
2 tribute to the missions of such installations; and”.

3 **SEC. 8102. FOREST LEGACY PROGRAM.**

4 Subsection (m) of section 7 of the Cooperative For-  
5 estry Assistance Act of 1978 (16 U.S.C. 2103e) is amend-  
6 ed to read as follows:

7 “(m) AUTHORIZATION OF APPROPRIATIONS.—To  
8 carry out this section, there are authorized to be appro-  
9 priated—

10 “(1) such sums as are necessary for fiscal year  
11 2013; and

12 “(2) \$55,000,000 for each of fiscal years 2014  
13 through 2018.”.

14 **SEC. 8103. COMMUNITY FOREST AND OPEN SPACE CON-**  
15 **SERVATION PROGRAM.**

16 Subsection (g) of section 7A of the Cooperative For-  
17 estry Assistance Act of 1978 (16 U.S.C. 2103d) is amend-  
18 ed to read as follows:

19 “(g) AUTHORIZATION OF APPROPRIATIONS.—To  
20 carry out this section, there are authorized to be appro-  
21 priated—

22 “(1) such sums as are necessary for fiscal year  
23 2013; and

24 “(2) \$1,500,000 for each of fiscal years 2014  
25 through 2018.”.



1           (2) by redesignating subsection (b) as sub-  
2           section (d); and

3           (3) by inserting after subsection (a) the fol-  
4           lowing new subsections:

5           “(b) FISCAL YEARS 2014 THROUGH 2018.—There is  
6           authorized to be appropriated to the Secretary of Agri-  
7           culture to carry out this section \$9,750,000 for each of  
8           fiscal years 2014 through 2018.

9           “(c) ADDITIONAL SOURCE OF FUNDS.—In addition  
10          to funds appropriated pursuant to the authorization of ap-  
11          propriations in subsection (b) for a fiscal year, the Sec-  
12          retary may use such amount of the funds appropriated  
13          for that fiscal year to carry out the Soil Conservation and  
14          Domestic Allotment Act (16 U.S.C. 590a et seq.) as the  
15          Secretary determines necessary to cover the cost of tech-  
16          nical assistance, management, and enforcement respon-  
17          sibilities for land enrolled in the healthy forests reserve  
18          program pursuant to subsections (a) and (b) of section  
19          504.”.

20       **SEC. 8204. STEWARDSHIP END RESULT CONTRACTING**  
21                               **PROJECT AUTHORITY.**

22          Section 347 of the Department of the Interior and  
23          Related Agencies Appropriations Act, 1999 (as contained  
24          in section 101(e) of division A of Public Law 105–277;  
25          16 U.S.C. 2104 note) is amended—

1 (1) in subsection (a), by striking “2013” and  
2 inserting “2018”; and

3 (2) in subsection (c), by adding at the end the  
4 following new paragraph:

5 “(6) CONTRACT FOR SALE OF PROPERTY.—At  
6 the discretion of the Secretary of Agriculture, a con-  
7 tract entered into by the Forest Service under this  
8 section may be considered a contract for the sale of  
9 property under such terms as the Secretary may  
10 prescribe without regard to any other provision of  
11 law.”.

12 **Subtitle D—National Forest**  
13 **Critical Area Response**

14 **SEC. 8301. DEFINITIONS.**

15 In this title:

16 (1) CRITICAL AREA.—The term “critical area”  
17 means an area of the National Forest System des-  
18 ignated by the Secretary under section 8302

19 (2) NATIONAL FOREST SYSTEM.—The term  
20 “National Forest System” has the meaning given  
21 that term in section 11(a) of the Forest and Range-  
22 land Renewable Resources Planning Act of 1974 (16  
23 U.S.C. 1609(a)).

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

1 **SEC. 8302. DESIGNATION OF CRITICAL AREAS.**

2 (a) DESIGNATION REQUIREMENTS.—The Secretary  
3 of Agriculture shall designate critical areas within the Na-  
4 tional Forest System for the purposes of addressing—

5 (1) deteriorating forest health conditions in ex-  
6 istence as of the date of the enactment of this Act  
7 due to insect infestation, drought, disease, or storm  
8 damage; and

9 (2) the future risk of insect infestations or dis-  
10 ease outbreaks through preventative treatments.

11 (b) DESIGNATION METHOD.—In considering Na-  
12 tional Forest System land for designation as a critical  
13 area, the Secretary shall use—

14 (1) for purposes of subsection (a)(1), the most  
15 recent annual forest health aerial surveys of mor-  
16 tality and defoliation; and

17 (2) for purposes of subsection (a)(2), the Na-  
18 tional Insect and Disease Risk Map.

19 (c) TIME FOR INITIAL DESIGNATIONS.—The first  
20 critical areas shall be designated by the Secretary not later  
21 than 60 days after the date of the enactment of this Act.

22 (d) DURATION OF DESIGNATION.—The designation  
23 of a critical area shall expire not later than 10 years after  
24 the date of the designation.

1 **SEC. 8303. APPLICATION OF EXPEDITED PROCEDURES AND**  
2 **ACTIVITIES OF THE HEALTHY FORESTS RES-**  
3 **TORATION ACT OF 2003 TO CRITICAL AREAS.**

4 (a) **APPLICABILITY.**—Subject to subsections (b)  
5 through (e), title I of the Healthy Forests Restoration Act  
6 of 2003 (16 U.S.C. 6511 et seq.) (including the environ-  
7 mental analysis requirements of section 104 of that Act  
8 (16 U.S.C. 6514), the special administrative review proc-  
9 ess under section 105 of that Act (16 U.S.C. 6515), and  
10 the judicial review process under section 106 of that Act  
11 (16 U.S.C. 6516)), shall apply to all Forest Service  
12 projects and activities carried out in a critical area.

13 (b) **APPLICATION OF OTHER LAW.**—Section 322 of  
14 Public Law 102–381 (16 U.S.C. 1612 note; 106 Stat.  
15 1419) shall not apply to projects conducted in accordance  
16 with this section.

17 (c) **REQUIRED MODIFICATIONS.**—In applying title I  
18 of the Healthy Forests Restoration Act of 2003 (16  
19 U.S.C. 6511 et seq.) to Forest Service projects and activi-  
20 ties in a critical area, the Secretary shall make the fol-  
21 lowing modifications:

22 (1) The authority shall apply to the entire crit-  
23 ical area, including land that is outside of a  
24 wildland-urban interface area or that does not sat-  
25 isfy any of the other eligibility criteria specified in  
26 section 102(a) of that Act (16 U.S.C. 6512(a)).

1           (2) All projects and activities of the Forest  
2 Service, including necessary connected actions (as  
3 described in section 1508.25(a)(1) of title 40, Code  
4 of Federal Regulations (or a successor regulation)),  
5 shall be considered to be authorized hazardous fuel  
6 reduction projects for purposes of applying the title.

7 (d) SMALLER PROJECTS.—

8           (1) IN GENERAL.—Except as provided in para-  
9 graph (2), a project conducted in a critical area in  
10 accordance with this section that comprises less than  
11 10,000 acres shall be—

12           (A) considered an action categorically ex-  
13 cluded from the requirements for an environ-  
14 mental assessment or an environmental impact  
15 statement under section 1508.4 of title 40,  
16 Code of Federal Regulations (or a successor  
17 regulation); and

18           (B) exempt from the special administrative  
19 review process under section 105 of the Healthy  
20 Forests Restoration Act of 2003 (16 U.S.C.  
21 6515).

22           (2) EXCLUSION OF CERTAIN AREAS.—Para-  
23 graph (1) does not apply to—

24           (A) a component of the National Wilder-  
25 ness Preservation System;

1 (B) any Federal land on which, by Act of  
2 Congress or Presidential proclamation, the re-  
3 moval of vegetation is restricted or prohibited;

4 (C) a congressionally designated wilderness  
5 study area; or

6 (D) an area in which activities under para-  
7 graph (1) would be inconsistent with the appli-  
8 cable land and resource management plan.

9 (e) FOREST MANAGEMENT PLANS.—All projects and  
10 activities carried out in a critical area pursuant to this  
11 subtitle shall be consistent with the land and resource  
12 management plan established under section 6 of the For-  
13 est and Rangeland Renewable Resources Planning Act of  
14 1974 (16 U.S.C. 1604) for the unit of the National Forest  
15 System containing the critical area.

16 **SEC. 8304. GOOD NEIGHBOR AUTHORITY.**

17 (a) DEFINITIONS.—In this section:

18 (1) ELIGIBLE STATE.—The term “eligible  
19 State” means a State that contains National Forest  
20 System land.

21 (2) SECRETARY.—The term “Secretary” means  
22 the Secretary of Agriculture.

23 (3) STATE FORESTER.—The term “State for-  
24 ester” means the head of a State agency with juris-

1       diction over State forestry programs in an eligible  
2       State.

3       (b) COOPERATIVE AGREEMENTS AND CONTRACTS.—

4           (1) IN GENERAL.—The Secretary may enter  
5       into a cooperative agreement or contract (including  
6       a sole source contract) with a State forester to au-  
7       thorize the State forester to provide the forest,  
8       rangeland, and watershed restoration and protection  
9       services described in paragraph (2) on National For-  
10      est System land in the eligible State.

11          (2) AUTHORIZED SERVICES.—The forest,  
12      rangeland, and watershed restoration and protection  
13      services referred to in paragraph (1) include the con-  
14      duct of—

15           (A) activities to treat insect infected trees;

16           (B) activities to reduce hazardous fuels;

17           and

18           (C) any other activities to restore or im-  
19      prove forest, rangeland, and watershed health,  
20      including fish and wildlife habitat.

21          (3) STATE AS AGENT.—Except as provided in  
22      paragraph (6), a cooperative agreement or contract  
23      entered into under paragraph (1) may authorize the  
24      State forester to serve as the agent for the Secretary

1 in providing the restoration and protection services  
2 authorized under that paragraph.

3 (4) SUBCONTRACTS.—In accordance with appli-  
4 cable contract procedures for the eligible State, a  
5 State forester may enter into subcontracts to provide  
6 the restoration and protection services authorized  
7 under a cooperative agreement or contract entered  
8 into under paragraph (1).

9 (5) TIMBER SALES.—Subsections (d) and (g) of  
10 section 14 of the National Forest Management Act  
11 of 1976 (16 U.S.C. 472a) shall not apply to services  
12 performed under a cooperative agreement or con-  
13 tract entered into under paragraph (1).

14 (6) RETENTION OF NEPA RESPONSIBILITIES.—  
15 Any decision required to be made under the Na-  
16 tional Environmental Policy Act of 1969 (42 U.S.C.  
17 4321 et seq.) with respect to any restoration and  
18 protection services to be provided under this section  
19 by a State forester on National Forest System land  
20 shall not be delegated to a State forester or any  
21 other officer or employee of the eligible State.

22 (7) APPLICABLE LAW.—The restoration and  
23 protection services to be provided under this section  
24 shall be carried out on a project-to-project basis  
25 under existing authorities of the Forest Service.

1                   **Subtitle E—Miscellaneous**  
2                   **Provisions**

3   **SEC. 8401. REVISION OF STRATEGIC PLAN FOR FOREST IN-**  
4                   **VENTORY AND ANALYSIS.**

5           (a) REVISION REQUIRED.—Not later than 180 days  
6 after the date of the enactment of this Act, the Secretary  
7 of Agriculture shall revise the strategic plan for forest in-  
8 ventory and analysis initially prepared pursuant to section  
9 3(e) of the Forest and Rangeland Renewable Resources  
10 Research Act of 1978 (16 U.S.C. 1642(e)) to address the  
11 requirements imposed by subsection (b).

12          (b) ELEMENTS OF REVISED STRATEGIC PLAN.—In  
13 revising the strategic plan, the Secretary of Agriculture  
14 shall describe in detail the organization, procedures, and  
15 funding needed to achieve each of the following:

16           (1) Complete the transition to a fully  
17 annualized forest inventory program and include in-  
18 ventory and analysis of interior Alaska.

19           (2) Implement an annualized inventory of trees  
20 in urban settings, including the status and trends of  
21 trees and forests, and assessments of their eco-  
22 system services, values, health, and risk to pests and  
23 diseases.

24           (3) Report information on renewable biomass  
25 supplies and carbon stocks at the local, State, re-

1 regional, and national level, including by ownership  
2 type.

3 (4) Engage State foresters and other users of  
4 information from the forest inventory and analysis  
5 in reevaluating the list of core data variables col-  
6 lected on forest inventory and analysis plots with an  
7 emphasis on demonstrated need.

8 (5) Improve the timeliness of the timber prod-  
9 uct output program and accessibility of the  
10 annualized information on that database.

11 (6) Foster greater cooperation among the forest  
12 inventory and analysis program, research station  
13 leaders, and State foresters and other users of infor-  
14 mation from the forest inventory and analysis.

15 (7) Promote availability of and access to non-  
16 Federal resources to improve information analysis  
17 and information management.

18 (8) Collaborate with the Natural Resources  
19 Conservation Service, National Aeronautics and  
20 Space Administration, National Oceanic and Atmos-  
21 pheric Administration, and United States Geological  
22 Survey to integrate remote sensing, spatial analysis  
23 techniques, and other new technologies in the forest  
24 inventory and analysis program.

1           (9) Understand and report on changes in land  
2 cover and use.

3           (10) Expand existing programs to promote sus-  
4 tainable forest stewardship through increased under-  
5 standing, in partnership with other Federal agencies,  
6 of the over 10 million family forest owners, their de-  
7 mographics, and the barriers to forest stewardship.

8           (11) Implement procedures to improve the sta-  
9 tistical precision of estimates at the sub-State level.

10       (c) SUBMISSION OF REVISED STRATEGIC PLAN.—

11 The Secretary of Agriculture shall submit the revised stra-  
12 tegic plan to the Committee on Agriculture of the House  
13 of Representatives and the Committee on Agriculture, Nu-  
14 trition, and Forestry of the Senate.

15 **SEC. 8402. FOREST SERVICE PARTICIPATION IN ACES PRO-**  
16 **GRAM.**

17       The Secretary of Agriculture, acting through the  
18 Chief of the Forest Service, may use funds derived from  
19 conservation-related programs executed on National For-  
20 est System lands to utilize the Agriculture Conservation  
21 Experienced Services Program established pursuant to  
22 section 1252 of the Food Security Act of 1985 (16 U.S.C.  
23 3851) to provide technical services for conservation-re-  
24 lated programs and authorities carried out by the Sec-  
25 retary on National Forest System lands.

1                                   **TITLE IX—ENERGY**

2   **SEC. 9001. DEFINITION OF RENEWABLE ENERGY SYSTEM.**

3           Section 9001 of the Farm Security and Rural Invest-  
4   ment Act of 2002 (7 U.S.C. 8101) is amended by—

5                   (1) striking paragraph (4) and inserting the fol-  
6   lowing new paragraph:

7                   “(4) BIOBASED PRODUCT.—

8                           “(A) IN GENERAL.—The term ‘biobased  
9   product’ means a product determined by the  
10   Secretary to be a commercial or industrial prod-  
11   uct (other than food or feed) that is—

12                                   “(i) composed, in whole or in signifi-  
13                                   cant part, of biological products, including  
14                                   renewable domestic agricultural materials  
15                                   and forestry materials; or

16                                   “(ii) an intermediate ingredient or  
17                                   feedstock.

18                                   “(B) INCLUSION.—The term ‘biobased  
19   product’, with respect to forestry materials, in-  
20   cludes forest products that meet biobased con-  
21   tent requirements, notwithstanding the market  
22   share the product holds, the age of the product,  
23   or whether the market for the product is new  
24   or emerging.”;

1           (2) redesignating paragraphs (9), (10), (11),  
2           (12), (13), and (14) as paragraphs (10), (11), (12),  
3           (13), (14), and (16);

4           (3) inserting after paragraph (8), the following  
5           new paragraph:

6           “(9) FOREST PRODUCT.—

7                   “(A) IN GENERAL.—The term ‘forest prod-  
8                   uct’ means a product made from materials de-  
9                   rived from the practice of forestry or the man-  
10                   agement of growing timber.

11                   “(B) INCLUSIONS.—The term ‘forest prod-  
12                   uct’ includes—

13                           “(i) pulp, paper, paperboard, pellets,  
14                           lumber, and other wood products; and

15                           “(ii) any recycled products derived  
16                           from forest materials.”; and

17           (4) inserting after paragraph (14) (as so reded-  
18           ignated), the following new paragraph:

19           “(15) RENEWABLE ENERGY SYSTEM.—

20                   “(A) IN GENERAL.—Subject to subpara-  
21                   graph (B), the term ‘renewable energy system’  
22                   means a system that—

23                           “(i) produces usable energy from a re-  
24                           newable energy source; and

1                   “(ii) may include distribution compo-  
2                   nents necessary to move energy produced  
3                   by such system to the initial point of sale.

4                   “(B) LIMITATION.—A system described in  
5                   subparagraph (A) may not include a mechanism  
6                   for dispensing energy at retail.”.

7   **SEC. 9002. BIOBASED MARKETS PROGRAM.**

8           Section 9002(h) of the Farm Security and Rural In-  
9   vestment Act of 2002 (7 U.S.C. 8102(h)) is amended by—

10           (1) striking “(h) FUNDING.—” and all that fol-  
11           lows through “to carry out this section, there” and  
12           inserting “(h) FUNDING.—There”; and

13           (2) striking “2013” and inserting “2018”.

14   **SEC. 9003. BIOREFINERY ASSISTANCE.**

15           (a) PROGRAM ADJUSTMENTS.—Section 9003 of the  
16   Farm Security and Rural Investment Act of 2002 (7  
17   U.S.C. 8103) is amended—

18           (1) in subsection (c), by striking “to eligible en-  
19           tities” and all that follows through “guarantees for  
20           loans” and inserting “to eligible entities guarantees  
21           for loans”;

22           (2) by striking subsection (d);

23           (3) by redesignating subsections (e), (f), (g),  
24           and (h) as subsections (d), (e), (f), and (g), respec-  
25           tively; and

1 (4) in subsection (d) (as so redesignated)—

2 (A) by striking “subsection (e)(2)” each  
3 place it appears and inserting “subsection (e)”;  
4 and

5 (B) in paragraph (2)(C), by striking “sub-  
6 section (h)” and inserting “subsection (g)”.

7 (b) FUNDING.—Section 9003(g) of the Farm Secu-  
8 rity and Rural Investment Act of 2002, as redesignated  
9 by subsection (a)(3), is amended—

10 (1) by striking paragraph (1);

11 (2) by redesignating paragraph (2) as para-  
12 graph (1);

13 (3) in paragraph (1) (as so redesignated)—

14 (A) in the heading, by striking “DISCRE-  
15 TIONARY FUNDING” and inserting “FISCAL  
16 YEARS 2009 THROUGH 2013”; and

17 (B) by striking “In addition to any other  
18 funds made available to carry out this section,  
19 there” and inserting “There”; and

20 (4) by adding at the end the following new  
21 paragraph:

22 “(2) FISCAL YEARS 2014 THROUGH 2018.—  
23 There are authorized to be appropriated to carry out  
24 this section \$75,000,000 for each of fiscal years  
25 2014 through 2018.”.

1 **SEC. 9004. REPOWERING ASSISTANCE PROGRAM.**

2 Section 9004(d) of the Farm Security and Rural In-  
3 vestment Act of 2002 (7 U.S.C. 8104(d)) is amended—

4 (1) by striking paragraph (1);

5 (2) by redesignating paragraph (2) as para-  
6 graph (1);

7 (3) in paragraph (1) (as so redesignated)—

8 (A) in the heading, by striking “DISCRE-  
9 TIONARY FUNDING” and inserting “FISCAL  
10 YEARS 2009 THROUGH 2013”; and

11 (B) by striking “In addition to any other  
12 funds made available to carry out this section,  
13 there” and inserting “There”; and

14 (4) by adding at the end the following new  
15 paragraph:

16 “(2) FISCAL YEARS 2014 THROUGH 2018.—  
17 There are authorized to be appropriated to carry out  
18 this section \$10,000,000 for each of fiscal years  
19 2014 through 2018.”.

20 **SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED**  
21 **BIOFUELS.**

22 Section 9005(g) of the Farm Security and Rural In-  
23 vestment Act of 2002 (7 U.S.C. 8105(c)) is amended—

24 (1) by striking paragraph (1);

25 (2) by redesignating paragraph (2) as para-  
26 graph (1);

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

2 (A) in the heading, by striking “DISCRE-  
3 TIONARY FUNDING” and inserting “FISCAL  
4 YEARS 2009 THROUGH 2013”; and

5 (B) by striking “In addition to any other  
6 funds made available to carry out this section,  
7 there” and inserting “There”; and

8 (4) by inserting after paragraph (1) (as so re-  
9 designated) the following new paragraph:

10 “(2) FISCAL YEARS 2014 THROUGH 2018.—  
11 There are authorized to be appropriated to carry out  
12 this section \$50,000,000 for each of fiscal years  
13 2014 through 2018.”.

14 **SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.**

15 Section 9006(d) of the Farm Security and Rural In-  
16 vestment Act of 2002 (7 U.S.C. 8106(d)) is amended—

17 (1) by striking paragraph (1);

18 (2) by redesignating paragraph (2) as para-  
19 graph (1);

20 (3) in the heading of paragraph (1) (as so re-  
21 designated), by striking “AUTHORIZATION OF AP-  
22 PROPRIATIONS” and inserting “FISCAL YEAR 2013”;  
23 and

24 (4) by adding at the end the following new  
25 paragraph:

1           “(2) FISCAL YEARS 2014 THROUGH 2018.—  
2           There are authorized to be appropriated to carry out  
3           this section \$2,000,000 for each of fiscal years 2014  
4           through 2018.”.

5 **SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.**

6           (a) PROGRAM ADJUSTMENTS.—

7           (1) REPEAL OF FEASIBILITY STUDIES.—Section  
8           9007(c) of the Farm Security and Rural Investment  
9           Act of 2002 (7 U.S.C. 8107(c)) is amended by strik-  
10          ing paragraph (3).

11          (2) TIERED APPLICATION PROCESS.—Section  
12          9007(c) of the Farm Security and Rural Investment  
13          Act of 2002 (7 U.S.C. 8107(c)) is further amended  
14          by—

15                 (A) redesignating paragraph (2) as para-  
16                 graph (3); and

17                 (B) by inserting after paragraph (1) the  
18                 following new paragraph:

19                 “(2) TIERED APPLICATION PROCESS.—In car-  
20                 rying out this subsection, the Secretary shall estab-  
21                 lish a three-tiered application, evaluation, and over-  
22                 sight process that varies based on the cost of the  
23                 proposed project with the process most simplified for  
24                 projects referred to in subparagraph (A), more com-  
25                 prehensive for projects referred to in subparagraph

1 (B), and most comprehensive for projects referred to  
2 in subparagraph (C). The three tiers for such pro-  
3 cess shall be as follows:

4 “(A) TIER 1.—Projects for which the cost  
5 of the project funded under this subsection is  
6 not more than \$80,000.

7 “(B) TIER 2.—Projects for which the cost  
8 of the project funded under this subsection is  
9 more than \$80,000 but less than \$200,000.

10 “(C) TIER 3.—Projects for which the cost  
11 of the project funded under this subsection is  
12 \$200,000 or more.”.

13 (b) FUNDING.—Section 9007(g) of the Farm Secu-  
14 rity and Rural Investment Act of 2002 (7 U.S.C. 8107(g))  
15 is amended—

16 (1) by striking paragraphs (1) and (2);

17 (2) by redesignating paragraph (3) as para-  
18 graph (1);

19 (3) in paragraph (1) (as so redesignated)—

20 (A) in the heading, by striking “DISCRE-  
21 TIONARY FUNDING” and inserting “FISCAL  
22 YEARS 2009 THROUGH 2013”; and

23 (B) by striking “In addition to any other  
24 funds made available to carry out this section,  
25 there” and inserting “There”; and

1           (4) by adding at the end the following new  
2 paragraph:

3           “(2) FISCAL YEARS 2014 THROUGH 2018.—  
4 There are authorized to be appropriated to carry out  
5 this section \$45,000,000 for each of fiscal years  
6 2014 through 2018.”.

7 **SEC. 9008. BIOMASS RESEARCH AND DEVELOPMENT.**

8           Section 9008(h) of the Farm Security and Rural In-  
9 vestment Act of 2002 (7 U.S.C. 8108(h)) is amended—

10           (1) by striking paragraph (1);

11           (2) by redesignating paragraph (2) as para-  
12 graph (1);

13           (3) in paragraph (1) (as so redesignated)—

14                 (A) in the heading, by striking “DISCRE-  
15 TIONARY FUNDING” and inserting “FISCAL  
16 YEARS 2009 THROUGH 2013”; and

17                 (B) by striking “In addition to any other  
18 funds made available to carry out this section,  
19 there” and inserting “There”; and

20           (4) by adding at the end the following new  
21 paragraph:

22           “(2) FISCAL YEARS 2014 THROUGH 2018.—  
23 There are authorized to be appropriated to carry out  
24 this section \$20,000,000 for each of fiscal years  
25 2014 through 2018.”.

1 **SEC. 9009. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIO-**  
2 **ENERGY PRODUCERS.**

3 Section 9010(b) of the Farm Security and Rural In-  
4 vestment Act of 2002 (7 U.S.C. 8110(b)) is amended—

5 (1) in paragraph (1)(A), by striking “2013”  
6 and inserting “2018”; and

7 (2) in paragraph (2)(A), by striking “2013”  
8 and inserting “2018”.

9 **SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.**

10 Section 9011 of the Farm Security and Rural Invest-  
11 ment Act of 2002 (7 U.S.C. 8111) is amended—

12 (1) in subsection (a)—

13 (A) by striking paragraph (6); and

14 (B) by redesignating paragraphs (7) and  
15 (8) as paragraphs (6) and (7), respectively;

16 (2) in subsection (b)—

17 (A) by striking “Program to” and all that  
18 follows through “support the establishment”  
19 and inserting “Program to support the estab-  
20 lishment”;

21 (B) by striking “; and” and inserting a pe-  
22 riod; and

23 (C) by striking paragraph (2);

24 (3) in subsection (c)—

25 (A) in paragraph (2)(B)—

1 (i) in clause (viii), by striking “; and”  
2 and inserting a semicolon;

3 (ii) by redesignating clause (ix) as  
4 clause (x); and

5 (iii) by inserting after clause (viii) the  
6 following new clause:

7 “(ix) existing project areas that have  
8 received funding under this section and the  
9 continuation of funding of such project  
10 areas to advance the maturity of such  
11 project areas; and”;

12 (B) in paragraph (5)(C)(ii)—

13 (i) by striking subclause (III); and

14 (ii) by redesignating subclauses (IV)  
15 and (V) as subclauses (III) and (IV), re-  
16 spectively;

17 (4) by striking subsection (d);

18 (5) by redesignating subsections (e) and (f) as  
19 subsections (d) and (e), respectively; and

20 (6) in subsection (e) (as so redesignated)—

21 (A) by striking paragraph (1);

22 (B) by redesignating paragraph (2) as  
23 paragraph (1);

24 (C) in paragraph (1) (as so redesign-  
25 nated)—

1 (i) by striking “FISCAL YEAR 2013”  
2 and all that follows through “There is au-  
3 thorized” and inserting “FISCAL YEAR  
4 2013.—There is authorized”; and

5 (ii) by redesignating subparagraph  
6 (B) as paragraph (3) and moving the mar-  
7 gin of such paragraph (as so redesignated)  
8 two ems to the left;

9 (D) by inserting after paragraph (1), the  
10 following new paragraph:

11 “(2) FISCAL YEARS 2014 THROUGH 2018.—  
12 There are authorized to be appropriated to carry out  
13 this section \$75,000,000 for each of fiscal years  
14 2014 through 2018.”; and

15 (E) in paragraph (3) (as redesignated by  
16 subparagraph (C)(ii) of this paragraph), by  
17 striking “this paragraph” and inserting “this  
18 subsection”.

19 **SEC. 9011. COMMUNITY WOOD ENERGY PROGRAM.**

20 Section 9013(e) of the Farm Security and Rural In-  
21 vestment Act of 2002 (7 U.S.C. 8113(e)) is amended by  
22 striking “carry out this section” and all that follows and  
23 inserting the following: “carry out this section—

24 “(1) \$5,000,000 for each of fiscal years 2009  
25 through 2013; and

1           “(2) \$2,000,000 for each of fiscal years 2014  
2           through 2018.”.

3 **SEC. 9012. REPEAL OF BIOFUELS INFRASTRUCTURE STUDY.**

4           Section 9002 of the Food, Conservation, and Energy  
5 Act of 2008 (Public Law 110–246; 122 Stat. 2095) is re-  
6 pealed.

7 **SEC. 9013. REPEAL OF RENEWABLE FERTILIZER STUDY.**

8           Section 9003 of the Food, Conservation, and Energy  
9 Act of 2008 (Public Law 110–246; 122 Stat. 2096) is re-  
10 pealed.

11           **TITLE X—HORTICULTURE**

12 **SEC. 10001. SPECIALTY CROPS MARKET NEWS ALLOCATION.**

13           Section 10107(b) of the Food, Conservation, and En-  
14 ergy Act of 2008 (7 U.S.C. 1622b(b)) is amended by strik-  
15 ing “2012” and inserting “2018”.

16 **SEC. 10002. REPEAL OF GRANT PROGRAM TO IMPROVE**  
17 **MOVEMENT OF SPECIALTY CROPS.**

18           Effective October 1, 2013, section 10403 of the Food,  
19 Conservation, and Energy Act of 2008 (7 U.S.C. 1622c)  
20 is repealed.

21 **SEC. 10003. FARMERS MARKET AND LOCAL FOOD PRO-**  
22 **MOTION PROGRAM.**

23           Section 6 of the Farmer-to-Consumer Direct Mar-  
24 keting Act of 1976 (7 U.S.C. 3005) is amended—

1 (1) in the heading of such section, by inserting  
2 “**AND LOCAL FOOD**” after “**FARMERS’ MAR-**  
3 **KET**”;

4 (2) in subsection (a)—

5 (A) by inserting “and Local Food” after  
6 “Farmers’ Market”;

7 (B) by striking “farmers’ markets and to  
8 promote”; and

9 (C) by striking the period and inserting  
10 “and assist in the development of local food  
11 business enterprises.”;

12 (3) by striking subsection (b) and inserting the  
13 following new subsection:

14 “(b) PROGRAM PURPOSES.—The purposes of the  
15 Program are to increase domestic consumption of, and  
16 consumer access to, locally and regionally produced agri-  
17 cultural products by assisting in the development, im-  
18 provement, and expansion of—

19 “(1) domestic farmers’ markets, roadside  
20 stands, community-supported agriculture programs,  
21 agritourism activities, and other direct producer-to-  
22 consumer market opportunities; and

23 “(2) local and regional food business enter-  
24 prises that process, distribute, aggregate, and store  
25 locally or regionally produced food products.”;

1 (4) in subsection (c)(1)—

2 (A) by inserting “or other agricultural  
3 business entity” after “cooperative”; and

4 (B) by inserting “, including a community  
5 supported agriculture network or association”  
6 after “association”;

7 (5) by redesignating subsection (e) as sub-  
8 section (f);

9 (6) by inserting after subsection (d) the fol-  
10 lowing new subsection:

11 “(e) FUNDS REQUIREMENTS FOR ELIGIBLE ENTI-  
12 TIES.—

13 “(1) MATCHING FUNDS.—An entity receiving a  
14 grant under this section for a project to carry out  
15 a purpose described in subsection (b)(2) shall pro-  
16 vide matching funds in the form of cash or an in-  
17 kind contribution in an amount equal to 25 percent  
18 of the total cost of such project.

19 “(2) LIMITATION ON USE OF FUNDS.—An eligi-  
20 ble entity may not use a grant or other assistance  
21 provided under this section for the purchase, con-  
22 struction, or rehabilitation of a building or struc-  
23 ture.”; and

24 (7) in subsection (f) (as redesignated by para-  
25 graph (5))—

1 (A) in paragraph (1)—

2 (i) in subparagraph (B), by striking  
3 “and” at the end;

4 (ii) in subparagraph (C), by striking  
5 the period at the end and inserting “;  
6 and”; and

7 (iii) by adding at the end the fol-  
8 lowing new subparagraph:

9 “(D) \$30,000,000 for each of fiscal years  
10 2014 through 2018.”;

11 (B) by striking paragraphs (3) and (5);

12 (C) by redesignating paragraph (4) as  
13 paragraph (6); and

14 (D) by inserting after paragraph (2) the  
15 following new paragraphs:

16 “(3) AUTHORIZATION OF APPROPRIATIONS.—

17 There are authorized to be appropriated to carry out  
18 this section \$10,000,000 for each of fiscal years  
19 2014 through 2018.

20 “(4) USE OF FUNDS.—Of the funds made avail-  
21 able to carry out this section for a fiscal year, 50  
22 percent of such funds shall be used for the purposes  
23 described in paragraph (1) of subsection (b) and 50  
24 percent of such funds shall be used for the purposes  
25 described in paragraph (2) of such subsection.

1           “(5) LIMITATION ON ADMINISTRATIVE EX-  
2           PENSES.—Not more than 3 percent of the total  
3           amount made available to carry out this section for  
4           a fiscal year may be used for administrative ex-  
5           penses.”.

6 **SEC. 10004. ORGANIC AGRICULTURE.**

7           (a) ORGANIC PRODUCTION AND MARKET DATA INI-  
8           TIATIVES.—Section 7407(d)(2) of the Farm Security and  
9           Rural Investment Act of 2002 (7 U.S.C. 5925e(d)) is  
10          amended—

11           (1) in the heading of such paragraph, by strik-  
12          ing “2012” and inserting “2018”; and

13           (2) by striking “2012” and inserting “2018”.

14          (b) MODERNIZATION AND TECHNOLOGY UPGRADE  
15          FOR NATIONAL ORGANIC PROGRAM.—Section 2122 of the  
16          Organic Foods Production Act of 1990 (7 U.S.C. 6521)  
17          is amended by adding at the end the following new sub-  
18          section:

19           “(c) MODERNIZATION AND TECHNOLOGY UPGRADE  
20          FOR NATIONAL ORGANIC PROGRAM.—The Secretary shall  
21          modernize database and technology systems of the na-  
22          tional organic program.”.

23          (c) AUTHORIZATION OF APPROPRIATIONS FOR NA-  
24          TIONAL ORGANIC PROGRAM.—Effective October 1, 2013,  
25          section 2123(b)(6) of the Organic Foods Production Act

1 of 1990 (7 U.S.C. 6522(b)(6)) is amended to read as fol-  
2 lows:

3 “(6) \$11,000,000 for each of fiscal years 2014  
4 through 2018.”.

5 (d) NATIONAL ORGANIC CERTIFICATION COST-  
6 SHARE PROGRAM.—Effective October 1, 2013, section  
7 10606 of the Farm Security and Rural Investment Act  
8 of 2002 (7 U.S.C. 6523) is repealed.

9 **SEC. 10005. INVESTIGATIONS AND ENFORCEMENT OF THE**  
10 **ORGANIC FOODS PRODUCTION ACT OF 1990.**

11 The Organic Foods Production Act of 1990 is amend-  
12 ed by inserting after section 2122 (7 U.S.C. 6521) the  
13 following new section:

14 **“SEC. 2122A. INVESTIGATION AND ENFORCEMENT.**

15 “(a) EXPEDITED ADMINISTRATIVE HEARING.—The  
16 Secretary shall establish an expedited administrative hear-  
17 ing procedure under which the Secretary may suspend or  
18 revoke the organic certification of a producer or handler  
19 or the accreditation of a certifying agent in accordance  
20 with subsection (d). Such a hearing may be conducted in  
21 addition to a hearing conducted pursuant to section 2120.

22 “(b) INVESTIGATION.—

23 “(1) IN GENERAL.—The Secretary may take  
24 such investigative actions as the Secretary considers  
25 to be necessary to carry out this title—

1           “(A) to verify the accuracy of any informa-  
2           tion reported or made available under this title;  
3           and

4           “(B) to determine, with regard to actions,  
5           practices, or information required under this  
6           title, whether a person covered by this title has  
7           committed a violation of this title.

8           “(2) INVESTIGATIVE POWERS.—The Secretary  
9           may administer oaths and affirmations, subpoena  
10          witnesses, compel attendance of witnesses, take evi-  
11          dence, and require the production of any records re-  
12          quired to be maintained under section 2112(d) or  
13          2116(e) that are relevant to the investigation.

14          “(c) UNLAWFUL ACT.—It shall be unlawful and a  
15          violation of this title for any person covered by this title—

16                 “(1) to refuse to provide information required  
17                 by the Secretary under this title; or

18                 “(2) to violate—

19                         “(A) a suspension or revocation of the or-  
20                         ganic certification of a producer or handler; or

21                         “(B) a suspension or revocation of the ac-  
22                         creditation of a certifying agent.

23          “(d) ENFORCEMENT.—

24                 “(1) SUSPENSION.—

1           “(A) IN GENERAL.—The Secretary may,  
2           after notice and opportunity for an expedited  
3           administrative hearing, suspend the organic cer-  
4           tification of a producer, handler or the accredi-  
5           tation of a certifying agent if—

6                   “(i) the Secretary, during such expe-  
7                   dited administrative hearing, proved that—

8                           “(I) in the case of a producer or  
9                           handler, the producer or handler—

10                                   “(aa) has recklessly com-  
11                                   mitted a violation of a term, con-  
12                                   dition, or requirement of the or-  
13                                   ganic plan to which the producer  
14                                   or handler is subject; or

15                                   “(bb) has recklessly com-  
16                                   mitted, or is recklessly commit-  
17                                   ting, a violation of this title; or

18                                   “(II) in the case of a certifying  
19                                   agent, the agent has recklessly com-  
20                                   mitted, or is recklessly committing, a  
21                                   violation of this title; or

22                                   “(ii) the producer, handler, or certi-  
23                                   fying agent has waived such expedited ad-  
24                                   ministrative hearing.

1           “(B) ISSUANCE OF SUSPENSION.— A sus-  
2           pension issued under this paragraph shall be  
3           issued not later than five days after the date on  
4           which—

5                   “(i) the expedited administrative hear-  
6                   ing referred to in clause (i) of subpara-  
7                   graph (A) concludes; or

8                   “(ii) the Secretary receives notice of  
9                   the waiver referred to in clause (ii) of such  
10                  subparagraph.

11           “(C) DURATION OF SUSPENSION.—The pe-  
12           riod of a suspension issued under this para-  
13           graph shall be not more than 90 days, begin-  
14           ning on the date on which the Secretary issues  
15           the suspension.

16           “(D) CURING OF VIOLATIONS.—

17                   “(i) IN GENERAL.—The Secretary  
18                   may not issue a suspension of a certifi-  
19                   cation or accreditation under this para-  
20                   graph if the producer, handler, or certi-  
21                   fying agent subject to such suspension—

22                           “(I) before the date on which the  
23                           suspension would otherwise have been  
24                           issued, cures, or corrects the defi-  
25                           ciency giving rise to, the violation for

1           which the certification or accreditation  
2           would have been suspended; or

3                   “(II) within a reasonable time-  
4           frame (as determined by the Sec-  
5           retary), enters into a settlement with  
6           the Secretary regarding a deficiency  
7           referred to in subclause (I).

8                   “(ii) DURING SUSPENSION.—The Sec-  
9           retary shall terminate the suspension of an  
10          organic certification or accreditation issued  
11          under this paragraph if the producer, han-  
12          dler, or certifying agent subject to such  
13          suspension cures the violation for which  
14          the certification or accreditation was sus-  
15          pended under such subparagraph before  
16          the date on which the period of the suspen-  
17          sion ends.

18                   “(2) REVOCATION.—

19                   “(A) IN GENERAL.—The Secretary may,  
20          after notice and opportunity for an expedited  
21          administrative hearing under this section and  
22          an expedited administrative appeal under sec-  
23          tion 2121, revoke the organic certification of a  
24          producer or handler, or the accreditation of a  
25          certifying agent if—

1           “(i) the Secretary, during such hear-  
2           ing, proved that—

3                   “(I) in the case of a producer or  
4           handler, the producer or handler—

5                           “(aa) has knowingly com-  
6                           mitted an egregious violation of a  
7                           term, condition, or requirement  
8                           of the organic plan to which the  
9                           producer or handler is subject; or

10                           “(bb) has knowingly com-  
11                           mitted, or is knowingly commit-  
12                           ting, an egregious violation of  
13                           this title; or

14                           “(II) in the case of a certifying  
15                           agent, the agent has knowingly com-  
16                           mitted, or is knowingly committing,  
17                           an egregious violation of this title; or

18                           “(ii) the producer, handler, or certi-  
19                           fying agent has waived such expedited ad-  
20                           ministrative hearing and such an expedited  
21                           administrative appeal.

22                           “(B) INITIATION OF REVOCATION PRO-  
23           CEEDINGS.—

24                           “(i) IN GENERAL.—If the Secretary  
25                           finds, during an investigation or during the

1 period of a suspension under paragraph  
2 (1), that a producer, handler, or certifying  
3 agent has knowingly committed an egre-  
4 gious violation of this title, the Secretary  
5 shall initiate revocation proceedings with  
6 respect to such violation not later than 30  
7 days after the date on which the producer,  
8 handler, or certifying agent receives notice  
9 of such finding in accordance with clause  
10 (ii). The Secretary may not initiate revoca-  
11 tion proceedings with respect to such viola-  
12 tion after the date on which that 30-day  
13 period ends.

14 “(ii) NOTICE.—Not later than five  
15 days after the date on which the Secretary  
16 makes the finding described in clause (i),  
17 the Secretary shall provide to the producer,  
18 handler, or certifying agent notice of such  
19 finding.

20 “(e) APPEAL.—

21 “(1) SUSPENSIONS.—

22 “(A) IN GENERAL.—The suspension of a  
23 certification or accreditation under subsection  
24 (d)(1) by the Secretary may be appealed to a  
25 United States district court in accordance with

1 section 2121(b) not later than 30 business days  
2 after the date on which the person subject to  
3 such suspension receives notice of the suspen-  
4 sion.

5 “(B) SUSPENSION FINAL AND CONCLU-  
6 SIVE.—A suspension of a certification or ac-  
7 creditation under subsection (d)(1) by the Sec-  
8 retary shall be final and conclusive—

9 “(i) in the case of a suspension that  
10 is appealed under subparagraph (A) within  
11 the 30-day period specified in such sub-  
12 paragraph, on the date on which judicial  
13 review of such suspension is complete; or

14 “(ii) in the case of a suspension that  
15 is not so appealed, the date on which such  
16 30-day period ends.

17 “(2) REVOCATIONS.—

18 “(A) IN GENERAL.—The revocation of a  
19 certification or an accreditation under sub-  
20 section (d)(2) by the Secretary may be appealed  
21 to a United States district court in accordance  
22 with section 2121(b) not later than 30 business  
23 days after the date on which the person subject  
24 to such revocation receives notice of the revoca-  
25 tion.

1           “(B) REVOCATION FINAL AND CONCLU-  
2           SIVE.—A revocation of a certification or an ac-  
3           creditation under subsection (d)(2) by the Sec-  
4           retary shall be final and conclusive—

5                   “(i) in the case of a revocation that is  
6                   appealed under subparagraph (A) within  
7                   the 30-day period specified in such sub-  
8                   paragraph, on the date on which judicial  
9                   review of such revocation is complete; or

10                   “(ii) in the case of a revocation that  
11                   is not so appealed, the date on which such  
12                   30-day period ends.

13           “(3) STANDARDS FOR REVIEW OF SUSPENSIONS  
14           AND REVOCATIONS.—A suspension or revocation of a  
15           certification or an accreditation under subsection (d)  
16           shall be reviewed in accordance with the standards  
17           of review specified in section 706(2) of title 5,  
18           United States Code.

19           “(f) NONCOMPLIANCE.—

20                   “(1) IN GENERAL.—If a person covered by this  
21                   title fails to obey a revocation of a certification or  
22                   an accreditation under subsection (d)(2) after such  
23                   revocation has become final and conclusive or after  
24                   the appropriate United States district court has en-  
25                   tered a final judgment in favor of the Secretary, the

1 United States may apply to the appropriate United  
2 States district court for enforcement of such revoca-  
3 tion.

4 “(2) ENFORCEMENT.—If the court determines  
5 that the revocation was lawfully made and duly  
6 served and that the person violated the revocation,  
7 the court shall enforce the revocation.

8 “(3) CIVIL PENALTY.—If the court finds that  
9 the person violated the revocation of a certification  
10 or an accreditation under subsection (d)(2), the per-  
11 son shall be subject to one or more of the penalties  
12 provided in subsections (a) and (b) of section 2120.

13 “(g) VIOLATION OF THIS TITLE DEFINED.—In this  
14 section, the term ‘violation of this title’ means a violation  
15 specified in section 2120.”.

16 **SEC. 10006. FOOD SAFETY EDUCATION INITIATIVES.**

17 Section 10105(e) of the Food, Conservation, and En-  
18 ergy Act of 2008 (7 U.S.C. 7655a(e)) is amended by strik-  
19 ing “2012” and inserting “2018”.

20 **SEC. 10007. SPECIALTY CROP BLOCK GRANTS.**

21 Section 101 of the Specialty Crops Competitiveness  
22 Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465)  
23 is amended—

24 (1) in subsection (a)—

1 (A) by striking “subsection (j)” and insert-  
2 ing “subsection (l)”; and

3 (B) by striking “2012” and inserting  
4 “2018”;

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

7 “(b) GRANTS BASED ON VALUE AND ACREAGE.—  
8 Subject to subsection (c), for each State whose application  
9 for a grant for a fiscal year that is accepted by the Sec-  
10 retary under subsection (f), the amount of the grant for  
11 such fiscal year to the State under this section shall bear  
12 the same ratio to the total amount made available under  
13 subsection (l)(1) for such fiscal year as—

14 “(1) the average of the most recent available  
15 value of specialty crop production in the State and  
16 the acreage of specialty crop production in the State,  
17 as demonstrated in the most recent Census of Agri-  
18 culture data; bears to

19 “(2) the average of the most recent available  
20 value of specialty crop production in all States and  
21 the acreage of specialty crop production in all  
22 States, as demonstrated in the most recent Census  
23 of Agriculture data.”;

24 (3) by redesignating subsection (j) as sub-  
25 section (l);

1           (4) by inserting after subsection (i) the fol-  
2           lowing new subsections:

3           “(j) MULTISTATE PROJECTS.—Not later than 180  
4           days after the effective date of the Federal Agriculture  
5           Reform and Risk Management Act of 2013, the Secretary  
6           of Agriculture shall issue guidance for the purpose of mak-  
7           ing grants to multistate projects under this section for  
8           projects involving—

9           “ (1) food safety;

10          “ (2) plant pests and disease;

11          “ (3) research;

12          “ (4) crop-specific projects addressing common  
13          issues; and

14          “ (5) any other area that furthers the purposes  
15          of this section, as determined by the Secretary.

16          “(k) ADMINISTRATION.—

17          “ (1) DEPARTMENT.—The Secretary of Agri-  
18          culture may not use more than 3 percent of the  
19          funds made available to carry out this section for a  
20          fiscal year for administrative expenses.

21          “ (2) STATES.—A State receiving a grant under  
22          this section may not use more than 8 percent of the  
23          funds received under the grant for a fiscal year for  
24          administrative expenses.”; and

1           (5) in subsection (l) (as redesignated by para-  
2 graph (3))—

3           (A) by redesignating paragraphs (1), (2),  
4 and (3) as subparagraphs (A), (B), and (C), re-  
5 spectively, and moving the margins of such sub-  
6 paragraphs two ems to the right;

7           (B) by striking “Of the funds” and insert-  
8 ing the following:

9           “(1) IN GENERAL.—Of the funds”;

10          (C) in paragraph (1) (as so designated)—

11           (i) in subparagraph (B) (as redesign-  
12 ated by subparagraph (A)), by striking  
13 “and” at the end;

14           (ii) in subparagraph (C) (as redesign-  
15 ated by subparagraph (A)), by striking  
16 the period at the end and inserting a semi-  
17 colon; and

18           (iii) by adding at the end the fol-  
19 lowing new subparagraphs:

20           “(D) \$72,500,000 for fiscal years 2014  
21 through 2017; and

22           “(E) \$85,000,000 for fiscal year 2018.”;  
23 and

24           (D) by adding at the end the following new  
25 paragraph:

1           “(2) MULTISTATE PROJECTS.—Of the funds  
2           made available under paragraph (1), the Secretary  
3           may use to carry out subsection (j), to remain avail-  
4           able until expended—

5                   “(A) \$1,000,000 for fiscal year 2014;

6                   “(B) \$2,000,000 for fiscal year 2015;

7                   “(C) \$3,000,000 for fiscal year 2016;

8                   “(D) \$4,000,000 for fiscal year 2017; and

9                   “(E) \$5,000,000 for fiscal year 2018.”.

10 **SEC. 10008. REPORT ON HONEY.**

11           (a) REPORT.—Not later than 180 days after the date  
12           of the enactment of this Act, the Secretary of Agriculture,  
13           in consultation with persons affected by the potential es-  
14           tablishment of a Federal standard for the identity of  
15           honey, shall submit to the Commissioner of Food and  
16           Drugs a report describing how an appropriate Federal  
17           standard for the identity of honey would be in the interest  
18           of consumers, the honey industry, and United States agri-  
19           culture.

20           (b) CONSIDERATIONS.—In preparing the report re-  
21           quired under subsection (a), the Secretary shall take into  
22           consideration the March 2006, Standard of Identity citi-  
23           zens petition filed with the Food and Drug Administra-  
24           tion, including any current industry amendments or clari-  
25           fications necessary to update such petition.

1 **SEC. 10009. BULK SHIPMENTS OF APPLES TO CANADA.**

2 (a) BULK SHIPMENT OF APPLES TO CANADA.—Sec-  
3 tion 4 of the Export Apple Act (7 U.S.C. 584) is amend-  
4 ed—

5 (1) by striking “Apples in” and inserting “(a)  
6 Apples in”; and

7 (2) by adding at the end the following new sub-  
8 section:

9 “(b) Apples may be shipped to Canada in bulk bins  
10 without complying with the provisions of this Act.”.

11 (b) DEFINITION OF BULK BIN.—Section 9 of the Ex-  
12 port Apple Act (7 U.S.C. 589) is amended by adding at  
13 the end the following new paragraph:

14 “(5) The term ‘bulk bin’ means a bin that contains  
15 a quantity of apples weighing more than 100 pounds.”.

16 (c) REGULATIONS.—Not later than 60 days after the  
17 date of the enactment of this Act, the Secretary of Agri-  
18 culture shall issue regulations to carry out the amend-  
19 ments made by this section.

20 **SEC. 10010. INCLUSION OF OLIVE OIL IN IMPORT CON-**  
21 **TROLS UNDER THE AGRICULTURAL ADJUST-**  
22 **MENT ACT.**

23 Section 8e(a) of the Agricultural Adjustment Act (7  
24 U.S.C. 608e–1(a)) is amended by inserting “olive oil,”  
25 after “olives (other than Spanish-style green olives),”.

1 **SEC. 10011. CONSOLIDATION OF PLANT PEST AND DISEASE**  
2 **MANAGEMENT AND DISASTER PREVENTION**  
3 **PROGRAMS.**

4 (a) RELOCATION OF LEGISLATIVE LANGUAGE RE-  
5 LATING TO NATIONAL CLEAN PLANT NETWORK.—Section  
6 420 of the Plant Protection Act (7 U.S.C. 7721) is amend-  
7 ed—

8 (1) by redesignating subsection (e) as sub-  
9 section (f); and

10 (2) by inserting after subsection (d) the fol-  
11 lowing new subsection:

12 “(e) NATIONAL CLEAN PLANT NETWORK.—

13 “(1) IN GENERAL.—The Secretary shall estab-  
14 lish a program to be known as the ‘National Clean  
15 Plant Network’ (referred to in this subsection as the  
16 ‘Program’).

17 “(2) REQUIREMENTS.—Under the Program, the  
18 Secretary shall establish a network of clean plant  
19 centers for diagnostic and pathogen elimination serv-  
20 ices—

21 “(A) to produce clean propagative plant  
22 material; and

23 “(B) to maintain blocks of pathogen-tested  
24 plant material in sites located throughout the  
25 United States.

1           “(3) AVAILABILITY OF CLEAN PLANT SOURCE  
2 MATERIAL.—Clean plant source material produced  
3 or maintained under the Program may be made  
4 available to—

5           “(A) a State for a certified plant program  
6 of the State; and

7           “(B) private nurseries and producers.

8           “(4) CONSULTATION AND COLLABORATION.—In  
9 carrying out the Program, the Secretary shall—

10           “(A) consult with—

11           “(i) State departments of agriculture;  
12 and

13           “(ii) land-grant colleges and univer-  
14 sities and NLGCA Institutions (as those  
15 terms are defined in section 1404 of the  
16 National Agricultural Research, Extension,  
17 and Teaching Policy Act of 1977 (7 U.S.C.  
18 3103)); and

19           “(B) to the extent practicable and with  
20 input from the appropriate State officials and  
21 industry representatives, use existing Federal or  
22 State facilities to serve as clean plant centers.

23           “(5) FUNDING FOR FISCAL YEAR 2013.—There  
24 is authorized to be appropriated to carry out the  
25 Program \$5,000,000 for fiscal year 2013.”.

1 (b) FUNDING.—Subsection (f) of section 420 of the  
2 Plant Protection Act (7 U.S.C. 7721) (as so redesignated)  
3 is amended—

4 (1) in paragraph (3), by striking “and” at the  
5 end;

6 (2) in paragraph (4), by striking “and each fis-  
7 cal year thereafter.” and inserting a semicolon; and

8 (3) by adding at the end the following new  
9 paragraphs:

10 “(5) \$62,500,000 for fiscal years 2014 through  
11 2017; and

12 “(6) \$75,000,000 for fiscal year 2018.”.

13 (c) REPEAL OF EXISTING PROVISION.—Effective Oc-  
14 tober 1, 2013, section 10202 of the Food, Conservation,  
15 and Energy Act of 2008 (7 U.S.C. 7761) is repealed.

16 (d) CLARIFICATION OF USE OF FUNDS FOR TECH-  
17 NICAL ASSISTANCE.—Section 420 of the Plant Protection  
18 Act (7 U.S.C. 7721) (as amended by subsection (a)) is  
19 amended by adding at the end the following new sub-  
20 section:

21 “(g) RELATIONSHIP TO OTHER LAW.—The use of  
22 Commodity Credit Corporation funds under this section  
23 to provide technical assistance shall not be considered an  
24 allotment or fund transfer from the Commodity Credit  
25 Corporation for purposes of the limit on expenditures for

1 technical assistance imposed by section 11 of the Com-  
2 modify Credit Corporation Charter Act (15 U.S.C.  
3 714i).”.

4 **SEC. 10012. MODIFICATION, CANCELLATION, OR SUSPEN-**  
5 **SION ON BASIS OF A BIOLOGICAL OPINION.**

6 (a) IN GENERAL.—Except in the case of a voluntary  
7 request from a pesticide registrant to amend a registration  
8 under section 3 of the Federal Insecticide, Fungicide, and  
9 Rodenticide Act (7 U.S.C. 136a), a registration of a pes-  
10 ticide may be modified, canceled, or suspended on the  
11 basis of the implementation of a Biological Opinion issued  
12 by the National Marine Fisheries Service or the United  
13 States Fish and Wildlife Service prior to the date of com-  
14 pletion of the study referred to in subsection (b), or Janu-  
15 ary 1, 2015, whichever is earlier, only if—

16 (1) the modification, cancellation, or suspension  
17 is undertaken pursuant to section 6 of such Act (7  
18 U.S.C. 136d); and

19 (2) the Biological Opinion complies with the  
20 recommendations contained in the study referred to  
21 in subsection (b).

22 (b) NATIONAL ACADEMY OF SCIENCES STUDY.—The  
23 study commissioned by the Administrator of the Environ-  
24 mental Protection Agency on March 10, 2011, shall in-  
25 clude, at a minimum, each of the following:

1           (1) A formal, independent, and external peer  
2 review, consistent with Office of Management and  
3 Budget policies, of each Biological Opinion described  
4 in subsection (a).

5           (2) Assessment of economic impacts of meas-  
6 ures or alternatives recommended in each such Bio-  
7 logical Opinion.

8           (3) An examination of the specific scientific and  
9 procedural questions and issues pertaining to eco-  
10 nomic feasibility contained in the June 23, 2011, let-  
11 ter sent to the Administrator (and other Federal of-  
12 ficials) by the Chairmen of the Committee on Agri-  
13 culture, the Committee on Natural Resources, and  
14 the Subcommittee on Interior, Environment, and  
15 Related Agencies of the Committee on Appropria-  
16 tions, of the House of Representatives.

17 **SEC. 10013. USE AND DISCHARGES OF AUTHORIZED PES-**  
18 **TICIDES.**

19           (a) **SHORT TITLE.**—This section may be cited as the  
20 “Reducing Regulatory Burdens Act of 2013”.

21           (b) **USE OF AUTHORIZED PESTICIDES.**—Section 3(f)  
22 of the Federal Insecticide, Fungicide, and Rodenticide Act  
23 (7 U.S.C. 136a(f)) is amended by adding at the end the  
24 following:

1           “(5) USE OF AUTHORIZED PESTICIDES.—Ex-  
2           cept as provided in section 402(s) of the Federal  
3           Water Pollution Control Act, the Administrator or a  
4           State may not require a permit under such Act for  
5           a discharge from a point source into navigable  
6           waters of a pesticide authorized for sale, distribu-  
7           tion, or use under this Act, or the residue of such  
8           a pesticide, resulting from the application of such  
9           pesticide.”.

10          (c) DISCHARGES OF PESTICIDES.—Section 402 of  
11          the Federal Water Pollution Control Act (33 U.S.C. 1342)  
12          is amended by adding at the end the following:

13          “(s) DISCHARGES OF PESTICIDES.—

14                 “(1) NO PERMIT REQUIREMENT.—Except as  
15                 provided in paragraph (2), a permit shall not be re-  
16                 quired by the Administrator or a State under this  
17                 Act for a discharge from a point source into navi-  
18                 gable waters of a pesticide authorized for sale, dis-  
19                 tribution, or use under the Federal Insecticide, Fun-  
20                 gicide, and Rodenticide Act, or the residue of such  
21                 a pesticide, resulting from the application of such  
22                 pesticide.

23                 “(2) EXCEPTIONS.—Paragraph (1) shall not  
24                 apply to the following discharges of a pesticide or  
25                 pesticide residue:

1           “(A) A discharge resulting from the appli-  
2 cation of a pesticide in violation of a provision  
3 of the Federal Insecticide, Fungicide, and  
4 Rodenticide Act that is relevant to protecting  
5 water quality, if—

6           “(i) the discharge would not have oc-  
7 curred but for the violation; or

8           “(ii) the amount of pesticide or pes-  
9 ticide residue in the discharge is greater  
10 than would have occurred without the vio-  
11 lation.

12           “(B) Stormwater discharges subject to reg-  
13 ulation under subsection (p).

14           “(C) The following discharges subject to  
15 regulation under this section:

16           “(i) Manufacturing or industrial efflu-  
17 ent.

18           “(ii) Treatment works effluent.

19           “(iii) Discharges incidental to the nor-  
20 mal operation of a vessel, including a dis-  
21 charge resulting from ballasting operations  
22 or vessel biofouling prevention.”.

# 1       **TITLE XI—CROP INSURANCE**

## 2       **SEC. 11001. INFORMATION SHARING.**

3           Section 502(c) of the Federal Crop Insurance Act (7  
4 U.S.C. 1502(c)) is amended by adding at the end the fol-  
5 lowing new paragraph:

6                   “(4) INFORMATION.—

7                           “(A) REQUEST.—Subject to subparagraph  
8                           (B), the Farm Service Agency shall, in a timely  
9                           manner, provide to an agent or an approved in-  
10                           surance provider authorized by the producer  
11                           any information (including Farm Service Agen-  
12                           cy Form 578s (or any successor form) or maps  
13                           (or any corrections to those forms or maps)  
14                           that may assist the agent or approved insurance  
15                           provider in insuring the producer under a policy  
16                           or plan of insurance under this subtitle.

17                           “(B) PRIVACY.—Except as provided in  
18                           subparagraph (C), an agent or approved insur-  
19                           ance provider that receives the information of a  
20                           producer pursuant to subparagraph (A) shall  
21                           treat the information in accordance with para-  
22                           graph (1).

23                           “(C) SHARING.—Nothing in this section  
24                           prohibits the sharing of the information of a  
25                           producer pursuant to subparagraph (A) be-

1           tween the agent and the approved insurance  
2           provider of the producer.”.

3 **SEC. 11002. PUBLICATION OF INFORMATION ON VIOLA-**  
4           **TIONS OF PROHIBITION ON PREMIUM AD-**  
5           **JUSTMENTS.**

6           Section 508(a)(9) of the Federal Crop Insurance Act  
7 (7 U.S.C. 1508(a)(9)) is amended by adding at the end  
8 the following new subparagraph:

9           “(C) PUBLICATION OF VIOLATIONS.—

10           “(i) PUBLICATION REQUIRED.—Sub-  
11           ject to clause (ii), the Corporation shall  
12           publish in a timely manner on the website  
13           of the Risk Management Agency informa-  
14           tion regarding each violation of this para-  
15           graph, including any sanctions imposed in  
16           response to the violation, in sufficient de-  
17           tail so that the information may serve as  
18           effective guidance to approved insurance  
19           providers, agents, and producers.

20           “(ii) PROTECTION OF PRIVACY.—In  
21           providing information under clause (i) re-  
22           garding violations of this paragraph, the  
23           Corporation shall redact the identity of the  
24           persons and entities committing the viola-  
25           tions in order to protect their privacy.”.

1 **SEC. 11003. SUPPLEMENTAL COVERAGE OPTION.**

2 (a) AVAILABILITY OF SUPPLEMENTAL COVERAGE  
3 OPTION.—Paragraph (3) of section 508(c) of the Federal  
4 Crop Insurance Act (7 U.S.C. 1508(c)) is amended to read  
5 as follows:

6 “(3) YIELD AND LOSS BASIS OPTIONS.—A pro-  
7 ducer shall have the option of purchasing additional  
8 coverage based on—

9 “(A)(i) an individual yield and loss basis;

10 or

11 “(ii) an area yield and loss basis;

12 “(B) an individual yield and loss basis,  
13 supplemented with coverage based on an area  
14 yield and loss basis to cover a part of the de-  
15 ductible under the individual yield and loss pol-  
16 icy, as described in paragraph (4)(C); or

17 “(C) a margin basis alone or in combina-  
18 tion with the coverages available in subpara-  
19 graph (A) or (B).”.

20 (b) LEVEL OF COVERAGE.—Paragraph (4) of section  
21 508(c) of the Federal Crop Insurance Act (7 U.S.C.  
22 1508(c)) is amended to read as follows:

23 “(4) LEVEL OF COVERAGE.—

24 “(A) DOLLAR DENOMINATION AND PER-  
25 CENTAGE OF YIELD.—Except as provided in  
26 subparagraph (C), the level of coverage—

1 “(i) shall be dollar denominated; and

2 “(ii) may be purchased at any level  
3 not to exceed 85 percent of the individual  
4 yield or 95 percent of the area yield (as de-  
5 termined by the Corporation).

6 “(B) INFORMATION.—The Corporation  
7 shall provide producers with information on cat-  
8 astrophic risk and additional coverage in terms  
9 of dollar coverage (within the allowable limits of  
10 coverage provided in this paragraph).

11 “(C) SUPPLEMENTAL COVERAGE OP-  
12 TION.—

13 “(i) IN GENERAL.—Notwithstanding  
14 subparagraph (A), in the case of the sup-  
15 plemental coverage option described in  
16 paragraph (3)(B), the Corporation shall  
17 offer producers the opportunity to pur-  
18 chase coverage in combination with a pol-  
19 icy or plan of insurance offered under this  
20 subtitle that would allow indemnities to be  
21 paid to a producer equal to a part of the  
22 deductible under the policy or plan of in-  
23 surance—

24 “(I) at a county-wide level to the  
25 fullest extent practicable; or

1                   “(II) in counties that lack suffi-  
2                   cient data, on the basis of such larger  
3                   geographical area as the Corporation  
4                   determines to provide sufficient data  
5                   for purposes of providing the cov-  
6                   erage.

7                   “(ii) TRIGGER.—Coverage offered  
8                   under paragraph (3)(B) and clause (i)  
9                   shall be triggered only if the losses in the  
10                  area exceed 10 percent of normal levels (as  
11                  determined by the Corporation).

12                  “(iii) COVERAGE.—Subject to the trig-  
13                  ger described in clause (ii), coverage of-  
14                  fered under paragraph (3)(B) and clause  
15                  (i) shall not exceed the difference be-  
16                  tween—

17                               “(I) 90 percent; and

18                               “(II) the coverage level selected  
19                               by the producer for the underlying  
20                               policy or plan of insurance.

21                   “(iv) INELIGIBLE CROPS AND  
22                   ACRES.—Crops for which the producer has  
23                   elected under section 1107(c)(1) of the  
24                   Federal Agriculture Reform and Risk  
25                   Management Act of 2013 to receive rev-

1           enue loss coverage and acres that are en-  
2           rolled in the stacked income protection  
3           plan under section 508B shall not be eligi-  
4           ble for supplemental coverage under this  
5           subparagraph.

6                   “(v) CALCULATION OF PREMIUM.—  
7           Notwithstanding subsection (d), the pre-  
8           mium for coverage offered under para-  
9           graph (3)(B) and clause (i) shall—

10                           “(I) be sufficient to cover antici-  
11                           pated losses and a reasonable reserve;  
12                           and

13                                   “(II) include an amount for oper-  
14                                   ating and administrative expenses es-  
15                                   tablished in accordance with sub-  
16                                   section (k)(4)(F).”.

17           (c) PAYMENT OF PORTION OF PREMIUM BY COR-  
18           PORATION.—Section 508(e)(2) of the Federal Crop Insur-  
19           ance Act (7 U.S.C. 1508(e)(2)) is amended by adding at  
20           the end the following new subparagraph:

21                           “(H) In the case of the supplemental cov-  
22                           erage option authorized in subsection (c)(4)(C),  
23                           the amount shall be equal to the sum of—

24                                   “(i) 65 percent of the additional pre-  
25                                   mium associated with the coverage; and

1                   “(ii) the amount determined under  
2                   subsection (c)(4)(C)(vi)(II), subject to sub-  
3                   section (k)(4)(F), for the coverage to cover  
4                   operating and administrative expenses.”.

5           (d) **EFFECTIVE DATE.**—The Federal Crop Insurance  
6 Corporation shall begin to provide additional coverage  
7 based on an individual yield and loss basis, supplemented  
8 with coverage based on an area yield and loss basis, not  
9 later than for the 2014 crop year.

10 **SEC. 11004. PREMIUM AMOUNTS FOR CATASTROPHIC RISK**  
11 **PROTECTION.**

12           Subparagraph (A) of section 508(d)(2) of the Federal  
13 Crop Insurance Act (7 U.S.C. 1508(d)(2)) is amended to  
14 read as follows:

15                   “(A) In the case of catastrophic risk pro-  
16                   tection, the amount of the premium established  
17                   by the Corporation for each crop for which cat-  
18                   astrophic risk protection is available shall be re-  
19                   duced by the percentage equal to the difference  
20                   between the average loss ratio for the crop and  
21                   100 percent, plus a reasonable reserve.”.

22 **SEC. 11005. REPEAL OF PERFORMANCE-BASED DISCOUNT.**

23           (a) **REPEAL.**—Section 508(d) of the Federal Crop In-  
24 surance Act (7 U.S.C. 1508(d)) is amended—

25                   (1) by striking paragraph (3); and

1           (2) by redesignating paragraph (4) as para-  
2           graph (3).

3           (b)           CONFORMING           AMENDMENT.—Section  
4   508(a)(9)(B) of the Federal Crop Insurance Act (7 U.S.C.  
5   1508(a)(9)(B)) is amended—

6           (1) by inserting “or” at the end of clause (i);

7           (2) by striking clause (ii); and

8           (3) by redesignating clause (iii) as clause (ii).

9   **SEC. 11006. PERMANENT ENTERPRISE UNIT SUBSIDY.**

10          Subparagraph (A) of section 508(e)(5) of the Federal  
11   Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended to  
12   read as follows:

13                   “(A) IN GENERAL.—The Corporation may  
14                   pay a portion of the premiums for plans or poli-  
15                   cies of insurance for which the insurable unit is  
16                   defined on a whole farm or enterprise unit basis  
17                   that is higher than would otherwise be paid in  
18                   accordance with paragraph (2).”.

19   **SEC. 11007. ENTERPRISE UNITS FOR IRRIGATED AND NON-**  
20                   **IRRIGATED CROPS.**

21          Section 508(e)(5) of the Federal Crop Insurance Act  
22   (7 U.S.C. 1508(e)(5)) is amended by adding at the end  
23   the following new subparagraph:

24                   “(D) NONIRRIGATED CROPS.—Beginning  
25                   with the 2014 crop year, the Corporation shall

1           make available separate enterprise units for ir-  
2           rigated and nonirrigated acreage of crops in  
3           counties.”.

4 **SEC. 11008. DATA COLLECTION.**

5           Section 508(g)(2) of the Federal Crop Insurance Act  
6 (7 U.S.C. 1508(g)(2)) is amended by adding at the end  
7 the following new subparagraph:

8                   “(E) SOURCES OF YIELD DATA.—To deter-  
9           mine yields under this paragraph, the Corpora-  
10          tion—

11                   “(i) shall use county data collected by  
12           the Risk Management Agency or the Na-  
13           tional Agricultural Statistics Service, or  
14           both; or

15                   “(ii) if sufficient county data is not  
16           available, may use other data considered  
17           appropriate by the Secretary.”.

18 **SEC. 11009. ADJUSTMENT IN ACTUAL PRODUCTION HIS-**  
19 **TORY TO ESTABLISH INSURABLE YIELDS.**

20           Section 508(g)(4)(B) of the Federal Crop Insurance  
21 Act (7 U.S.C. 1508(g)(4)(B)) is amended by striking  
22 “60” each place it appears and inserting “70”.

23 **SEC. 11010. SUBMISSION AND REVIEW OF POLICIES.**

24           (a) IN GENERAL.—Section 508(h) of the Federal  
25 Crop Insurance Act (7 U.S.C. 1508(h)) is amended—

1 (1) in paragraph (1)—

2 (A) by redesignating subparagraphs (A)  
3 and (B) as clauses (i) and (ii), respectively, and  
4 indenting appropriately;

5 (B) by striking “(1) IN GENERAL.—In ad-  
6 dition” and inserting the following:

7 “(1) AUTHORITY TO SUBMIT.—

8 “(A) IN GENERAL.—In addition”; and

9 (C) by adding at the end the following new  
10 subparagraph:

11 “(B) REVIEW AND SUBMISSION BY COR-  
12 PORATION.—The Corporation shall review any  
13 policy developed under section 522(c) or any  
14 pilot program developed under section 523 and  
15 submit the policy or program to the Board  
16 under this subsection if the Corporation, at the  
17 sole discretion of the Corporation, finds that  
18 the policy or program—

19 “(i) will likely result in a viable and  
20 marketable policy consistent with this sub-  
21 section;

22 “(ii) would provide crop insurance  
23 coverage in a significantly improved form;  
24 and

1 “(iii) adequately protects the interests  
2 of producers.”; and

3 (2) in paragraph (3)—

4 (A) by striking “A policy” and inserting  
5 the following:

6 “(A) IN GENERAL.—A policy”; and

7 (B) by adding at the end the following new  
8 subparagraph:

9 “(B) SPECIFIED REVIEW AND APPROVAL  
10 PRIORITIES.—In reviewing policies and other  
11 materials submitted to the Board under this  
12 subsection for approval, the Board—

13 “(i) shall make the development and  
14 approval of a revenue policy for peanut  
15 producers a priority so that a revenue pol-  
16 icy is available to peanut producers in time  
17 for the 2014 crop year;

18 “(ii) shall make the development and  
19 approval of a margin coverage policy for  
20 rice producers a priority so that a margin  
21 coverage policy is available to rice pro-  
22 ducers in time for the 2014 crop year; and

23 “(iii) may approve a submission that  
24 is made pursuant to this subsection that  
25 would, beginning with the 2014 crop year,

1 allow producers that purchase policies in  
2 accordance with subsection (e)(5)(A) to  
3 separate enterprise units by risk rating for  
4 acreage of crops in counties.”.

5 (b) ADVANCE PAYMENTS.—Section 522(b)(2)(E) of  
6 the Federal Crop Insurance Act (7 U.S.C. 1522(b)(2)(E))  
7 is amended by striking “50 percent” and inserting “75  
8 percent”.

9 **SEC. 11011. EQUITABLE RELIEF FOR SPECIALTY CROP**  
10 **POLICIES.**

11 Section 508(k)(8)(E) of the Federal Crop Insurance  
12 Act of 1938 (7 U.S.C. 1508(k)(8)(E)) is amended by add-  
13 ing at the end the following new clause:

14 “(iii) EQUITABLE RELIEF FOR SPE-  
15 CIALTY CROP POLICIES.—

16 “(I) IN GENERAL.—For each of  
17 the 2011 through 2015 reinsurance  
18 years, in addition to the total amount  
19 of funding for reimbursement of ad-  
20 ministrative and operating costs that  
21 is otherwise required to be made avail-  
22 able in each such reinsurance year  
23 pursuant to an agreement entered  
24 into by the Corporation, the Corpora-  
25 tion shall use \$41,000,000 to provide

1 additional reimbursement with respect  
2 to eligible insurance contracts for any  
3 agricultural commodity that is not eli-  
4 gible for a benefit under subtitles A,  
5 B or C of title I of the Federal Agri-  
6 culture Reform and Risk Management  
7 Act of 2013.

8 “(II) TREATMENT.—Additional  
9 reimbursements made under this  
10 clause shall be included as part of the  
11 base level of administrative and oper-  
12 ating expense reimbursement to which  
13 any limit on compensation to persons  
14 involved in the direct sale and service  
15 of any eligible crop insurance contract  
16 required under an agreement entered  
17 into by the Corporation is applied.

18 “(III) RULE OF CONSTRUC-  
19 TION.—Nothing in this clause shall be  
20 construed as statutory assent to the  
21 limit described in subclause (II).”.

1 **SEC. 11012. BUDGET LIMITATIONS ON RENEGOTIATION OF**  
2 **THE STANDARD REINSURANCE AGREEMENT.**

3 Section 508(k)(8) of the Federal Crop Insurance Act  
4 of 1938 (7 U.S.C. 1508(k)(8)) is amended by adding at  
5 the end the following new subparagraph:

6 “(F) BUDGET.—

7 “(i) IN GENERAL.—The Board shall  
8 ensure that any Standard Reinsurance  
9 Agreement negotiated under subparagraph  
10 (A)(ii), as compared to the previous Stand-  
11 ard Reinsurance Agreement—

12 “(I) to the maximum extent prac-  
13 ticable, shall be budget neutral; and

14 “(II) in no event, may signifi-  
15 cantly depart from budget neutrality.

16 “(ii) USE OF SAVINGS.—To the extent  
17 that any budget savings is realized in the  
18 renegotiation of a Standard Reinsurance  
19 Agreement under subparagraph (A)(ii),  
20 and the savings are determined not to be  
21 a significant departure from budget neu-  
22 trality under clause (i), the savings shall  
23 be used to increase the obligations of the  
24 Corporation under subsections (e)(2) or  
25 (k)(4) or section 523.”.

1 **SEC. 11013. CROP PRODUCTION ON NATIVE SOIL.**

2 (a) FEDERAL CROP INSURANCE.—Section 508(o) of  
3 the Federal Crop Insurance Act (7 U.S.C. 1508(o)) is  
4 amended—

5 (1) in paragraph (1)(B), by inserting “, or the  
6 producer cannot substantiate that the ground has  
7 ever been tilled,” after “tilled”;

8 (2) in paragraph (2)—

9 (A) in the paragraph heading, by striking  
10 “INELIGIBILITY FOR” and inserting “REDUC-  
11 TION IN”; and

12 (B) in subparagraph (A), by striking “for  
13 benefits under—” and all that follows through  
14 the period at the end and inserting “for—

15 “(i) a portion of crop insurance pre-  
16 mium subsidies under this subtitle in ac-  
17 cordance with paragraph (3);

18 “(ii) benefits under section 196 of the  
19 Federal Agriculture Improvement and Re-  
20 form Act of 1996 (7 U.S.C. 7333); and

21 “(iii) payments described in sub-  
22 section (b) or (c) of section 1001 of the  
23 Food Security Act of 1985 (7 U.S.C.  
24 1308).”; and

25 (3) by striking paragraph (3) and inserting the  
26 following new paragraphs:

1           “(3) ADMINISTRATION.—

2                   “(A) IN GENERAL.—During the first 4  
3 crop years of planting on native sod acreage by  
4 a producer described in paragraph (2)—

5                           “(i) paragraph (2) shall apply to 65  
6 percent of the transitional yield of the pro-  
7 ducer; and

8                           “(ii) the crop insurance premium sub-  
9 sidy provided for the producer under this  
10 subtitle shall be 50 percentage points less  
11 than the premium subsidy that would oth-  
12 erwise apply.

13                   “(B) YIELD SUBSTITUTION.—During the  
14 period native sod acreage is covered by this sub-  
15 section, a producer may not substitute yields  
16 for the native sod acreage.

17           “(4) APPLICATION.—This subsection shall only  
18 apply to native sod in the Prairie Pothole National  
19 Priority Area.”.

20           (b) NONINSURED CROP DISASTER ASSISTANCE.—  
21 Section 196(a)(4) of the Federal Agriculture Improvement  
22 and Reform Act of 1996 (7 U.S.C. 7333(a)(4)) is amend-  
23 ed—

24                   (1) in the paragraph heading, by striking “IN-  
25 ELIGIBILITY” and inserting “BENEFIT REDUCTION”;

1           (2) in subparagraph (A)(ii), by inserting “, or  
2           the producer cannot substantiate that the ground  
3           has ever been tilled,” after “tilled”;

4           (3) in subparagraph (B)—

5                 (A) in the subparagraph heading, by strik-  
6                 ing “INELIGIBILITY” and inserting “REDUC-  
7                 TION IN”; and

8                 (B) in clause (i), by striking “for benefits  
9                 under—” and all that follows through the pe-  
10                riod at the end and inserting “for—

11                         “(I) benefits under this section;

12                         “(II) a portion of crop insurance  
13                         premium subsidies under the Federal  
14                         Crop Insurance Act (7 U.S.C. 1501 et  
15                         seq.) in accordance with subparagraph  
16                         (C); and

17                         “(III) payments described in sub-  
18                         section (b) or (c) of section 1001 of  
19                         the Food Security Act of 1985 (7  
20                         U.S.C. 1308).”; and

21           (4) by striking subparagraph (C) and inserting  
22           the following new subparagraphs:

23                         “(C) ADMINISTRATION.—

24                                 “(i) IN GENERAL.—During the first 4  
25                                 crop years of planting on native sod acre-

1                   age by a producer described in subpara-  
2                   graph (B)—

3                   “(I) subparagraph (B) shall  
4                   apply to 65 percent of the transitional  
5                   yield of the producer; and

6                   “(II) the crop insurance premium  
7                   subsidy provided for the producer  
8                   under the Federal Crop Insurance Act  
9                   (7 U.S.C. 1501 et seq.) shall be 50  
10                  percentage points less than the pre-  
11                  mium subsidy that would otherwise  
12                  apply.

13                  “(ii) YIELD SUBSTITUTION.—During  
14                  the period native sod acreage is covered by  
15                  this paragraph, a producer may not sub-  
16                  stitute yields for the native sod acreage.

17                  “(D) APPLICATION.—This paragraph shall  
18                  only apply to native sod in the Prairie Pothole  
19                  National Priority Area.”.

20                  (c) CROPLAND REPORT.—

21                  (1) BASELINE.—Not later than 180 days after  
22                  the date of enactment of this Act, the Secretary of  
23                  Agriculture shall submit to the Committee on Agri-  
24                  culture of the House of Representatives and the  
25                  Committee on Agriculture, Nutrition, and Forestry

1 of the Senate a report that describes the cropland  
2 acreage in each applicable county and State, and the  
3 change in cropland acreage from the preceding year  
4 in each applicable county and State, beginning with  
5 calendar year 2000 and including that information  
6 for the most recent year for which that information  
7 is available.

8 (2) ANNUAL UPDATES.—Not later than Janu-  
9 ary 1, 2015, and each January 1 thereafter through  
10 January 1, 2018, the Secretary of Agriculture shall  
11 submit to the Committee on Agriculture of the  
12 House of Representatives and the Committee on Ag-  
13 riculture, Nutrition, and Forestry of the Senate a  
14 report that describes—

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

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

21 **SEC. 11014. COVERAGE LEVELS BY PRACTICE.**

22 Section 508 of the Federal Crop Insurance Act of  
23 1938 (7 U.S.C. 1508) is amended by adding at the end  
24 the following new subsection:

1       “(p) **COVERAGE LEVELS BY PRACTICE.**—Beginning  
2 with the 2015 crop year, a producer that produces an agri-  
3 cultural commodity on both dry land and irrigated land  
4 may elect a different coverage level for each production  
5 practice.”.

6 **SEC. 11015. BEGINNING FARMER AND RANCHER PROVI-**  
7 **SIONS.**

8       (a) **DEFINITION.**—Section 502(b) of the Federal  
9 Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

10           (1) by redesignating paragraphs (3) through  
11           (9) as paragraphs (4) through (10), respectively;  
12           and

13           (2) by inserting after paragraph (2) the fol-  
14           lowing:

15           “(3) **BEGINNING FARMER OR RANCHER.**—The  
16           term ‘beginning farmer or rancher’ means a farmer  
17           or rancher who has not actively operated and man-  
18           aged a farm or ranch with a bona fide insurable in-  
19           terest in a crop or livestock as an owner-operator,  
20           landlord, tenant, or sharecropper for more than 5  
21           crop years, as determined by the Secretary.”.

22       (b) **PREMIUM ADJUSTMENTS.**—Section 508 of the  
23 Federal Crop Insurance Act (7 U.S.C. 1508) is amend-  
24 ed—

1           (1) in subsection (b)(5)(E), by inserting “and  
2           beginning farmers or ranchers” after “limited re-  
3           source farmers”;

4           (2) in subsection (e), by adding at the end the  
5           following new paragraph:

6           “(8) PREMIUM FOR BEGINNING FARMERS OR  
7           RANCHERS.—Notwithstanding any other provision of  
8           this subsection regarding payment of a portion of  
9           premiums, a beginning farmer or rancher shall re-  
10          ceive premium assistance that is 10 percentage  
11          points greater than premium assistance that would  
12          otherwise be available under paragraphs (2) (except  
13          for subparagraph (A) of that paragraph), (5), (6),  
14          and (7) for the applicable policy, plan of insurance,  
15          and coverage level selected by the beginning farmer  
16          or rancher.”; and

17          (3) in subsection (g)—

18                (A) in paragraph (2)(B)—

19                   (i) in clause (i), by striking “or” at  
20                   the end;

21                   (ii) in clause (ii)(III), by striking the  
22                   period at the end and inserting “; or”; and

23                   (iii) by adding at the end the fol-  
24                   lowing:

1           “(iii) if the producer is a beginning  
2 farmer or rancher who was previously in-  
3 volved in a farming or ranching operation,  
4 including involvement in the decision-  
5 making or physical involvement in the pro-  
6 duction of the crop or livestock on the  
7 farm, for any acreage obtained by the be-  
8 ginning farmer or rancher, a yield that is  
9 the higher of—

10                   “(I) the actual production history  
11 of the previous producer of the crop  
12 or livestock on the acreage determined  
13 under subparagraph (A); or

14                   “(II) a yield of the producer, as  
15 determined in clause (i).”; and

16           (B) in paragraph (4)(B)(ii) (as amended  
17 by section 11009)—

18                   (i) by inserting “(I)” after “(ii)”;

19                   (ii) by striking the period at the end  
20 and inserting “; or”; and

21                   (iii) by adding at the end the fol-  
22 lowing:

23                           “(II) in the case of begin-  
24 ning farmers or ranchers, replace  
25 each excluded yield with a yield

1 equal to 80 percent of the appli-  
2 cable transitional yield.”.

3 **SEC. 11016. STACKED INCOME PROTECTION PLAN FOR PRO-**  
4 **DUCERS OF UPLAND COTTON.**

5 (a) AVAILABILITY OF STACKED INCOME PROTECTION  
6 PLAN FOR PRODUCERS OF UPLAND COTTON.—The Fed-  
7 eral Crop Insurance Act is amended by inserting after sec-  
8 tion 508A (7 U.S.C. 1508a) the following new section:

9 **“SEC. 508B. STACKED INCOME PROTECTION PLAN FOR**  
10 **PRODUCERS OF UPLAND COTTON.**

11 “(a) AVAILABILITY.—Beginning not later than the  
12 2014 crop of upland cotton, the Corporation shall make  
13 available to producers of upland cotton an additional pol-  
14 icy (to be known as the ‘Stacked Income Protection Plan’),  
15 which shall provide coverage consistent with the Group  
16 Risk Income Protection Plan (and the associated Harvest  
17 Revenue Option Endorsement) offered by the Corporation  
18 for the 2011 crop year.

19 “(b) REQUIRED TERMS.—The Corporation may mod-  
20 ify the Stacked Income Protection Plan on a program-wide  
21 basis, except that the Stacked Income Protection Plan  
22 shall comply with the following requirements:

23 “(1) Provide coverage for revenue loss of not  
24 less than 10 percent and not more than 30 percent  
25 of expected county revenue, specified in increments

1 of 5 percent. The deductible is the minimum percent  
2 of revenue loss at which indemnities are triggered  
3 under the plan, not to be less than 10 percent of the  
4 expected county revenue.

5 “(2) Be offered to producers of upland cotton  
6 in all counties with upland cotton production—

7 “(A) at a county-wide level to the fullest  
8 extent practicable; or

9 “(B) in counties that lack sufficient data,  
10 on the basis of such larger geographical area as  
11 the Corporation determines to provide sufficient  
12 data for purposes of providing the coverage.

13 “(3) Be purchased in addition to any other in-  
14 dividual or area coverage in effect on the producer’s  
15 acreage or as a stand-alone policy, except that if a  
16 producer has an individual or area coverage for the  
17 same acreage, the maximum coverage available  
18 under the Stacked Income Protection Plan shall not  
19 exceed the deductible for the individual or area cov-  
20 erage.

21 “(4) Establish coverage based on—

22 “(A) the expected price established under  
23 existing Group Risk Income Protection or area  
24 wide policy offered by the Corporation for the  
25 applicable county (or area) and crop year; and

1           “(B) an expected county yield that is the  
2           higher of—

3                   “(i) the expected county yield estab-  
4                   lished for the existing area-wide plans of-  
5                   fered by the Corporation for the applicable  
6                   county (or area) and crop year (or, in geo-  
7                   graphic areas where area-wide plans are  
8                   not offered, an expected yield determined  
9                   in a manner consistent with those of area-  
10                  wide plans); or

11                   “(ii) the average of the applicable  
12                   yield data for the county (or area) for the  
13                   most recent 5 years, excluding the highest  
14                   and lowest observations, from the Risk  
15                   Management Agency or the National Agri-  
16                   cultural Statistics Service (or both) or, if  
17                   sufficient county data is not available, such  
18                   other data considered appropriate by the  
19                   Secretary.

20                  “(5) Use a multiplier factor to establish max-  
21                  imum protection per acre (referred to as a ‘protec-  
22                  tion factor’) of not less than the higher of the level  
23                  established on a program wide basis or 120 percent.

24                  “(6) Pay an indemnity based on the amount  
25                  that the expected county revenue exceeds the actual

1 county revenue, as applied to the individual coverage  
2 of the producer. Indemnities under the Stacked In-  
3 come Protection Plan shall not include or overlap  
4 the amount of the deductible selected under para-  
5 graph (1).

6 “(7) In all counties for which data are avail-  
7 able, establish separate coverage levels for irrigated  
8 and non-irrigated practices.

9 “(c) PREMIUM.—Notwithstanding section 508(d), the  
10 premium for the Stacked Income Protection Plan shall—

11 “(1) be sufficient to cover anticipated losses  
12 and a reasonable reserve; and

13 “(2) include an amount for operating and ad-  
14 ministrative expenses established in accordance with  
15 section 508(k)(4)(F).

16 “(d) PAYMENT OF PORTION OF PREMIUM BY COR-  
17 PORATION.—Subject to section 508(e)(4), the amount of  
18 premium paid by the Corporation for all qualifying cov-  
19 erage levels of the Stacked Income Protection Plan shall  
20 be—

21 “(1) 80 percent of the amount of the premium  
22 established under subsection (c) for the coverage  
23 level selected; and

24 “(2) the amount determined under subsection  
25 (c)(2), subject to section 508(k)(4)(F), for the cov-

1 erage to cover administrative and operating ex-  
2 penses.

3 “(e) **RELATION TO OTHER COVERAGES.**—The  
4 Stacked Income Protection Plan is in addition to all other  
5 coverages available to producers of upland cotton.”.

6 (b) **CONFORMING AMENDMENT.**—Section  
7 508(k)(4)(F) of the Federal Crop Insurance Act (7 U.S.C.  
8 1508(k)(4)(F)) is amended by inserting “or authorized  
9 under subsection (c)(4)(C) or section 508B” after “of this  
10 subparagraph”.

11 **SEC. 11017. PEANUT REVENUE CROP INSURANCE.**

12 The Federal Crop Insurance Act is amended by in-  
13 serting after section 508B, as added by the previous sec-  
14 tion, the following new section:

15 **“SEC. 508C. PEANUT REVENUE CROP INSURANCE.**

16 “(a) **IN GENERAL.**—Effective beginning with the  
17 2014 crop year, the Risk Management Agency and the  
18 Corporation shall make available to producers of peanuts  
19 a revenue crop insurance program for peanuts.

20 “(b) **EFFECTIVE PRICE.**—Subject to subsection (c),  
21 for purposes of the revenue crop insurance program and  
22 the multiperil crop insurance program under this Act, the  
23 effective price for peanuts shall be equal to the Rotterdam  
24 price index for peanuts, as adjusted to reflect the farmer  
25 stock price of peanuts in the United States.

1 “(c) ADJUSTMENTS.—

2 “(1) IN GENERAL.—The effective price for pea-  
3 nuts established under subsection (b) may be ad-  
4 justed by the Risk Management Agency and the  
5 Corporation to correct distortions.

6 “(2) ADMINISTRATION.—If an adjustment is  
7 made under paragraph (1), the Risk Management  
8 Agency and the Corporation shall—

9 “(A) make the adjustment in an open and  
10 transparent manner; and

11 “(B) submit to the Committee on Agri-  
12 culture of the House of Representatives and the  
13 Committee on Agriculture, Nutrition, and For-  
14 estry of the Senate a report that describes the  
15 reasons for the adjustment.”.

16 **SEC. 11018. AUTHORITY TO CORRECT ERRORS.**

17 Section 515(c) of the Federal Crop Insurance Act (7  
18 U.S.C. 1515(c)) is amended—

19 (1) in the first sentence, by striking “The Sec-  
20 retary” and inserting the following:

21 “(1) IN GENERAL.—The Secretary”;

22 (2) in the second sentence, by striking “Begin-  
23 ning with” and inserting the following:

24 “(2) FREQUENCY.—Beginning with”; and

1           (3) by adding at the end the following new  
2 paragraph:

3           “(3) CORRECTIONS.—

4                   “(A) IN GENERAL.—In addition to the cor-  
5 rections permitted by the Corporation as of the  
6 date of enactment of the Federal Agriculture  
7 Reform and Risk Management Act of 2013, the  
8 Corporation shall allow an agent or an approved  
9 insurance provider, subject to subparagraph  
10 (B)—

11                           “(i) within a reasonable amount of  
12 time following the applicable sales closing  
13 date, to correct unintentional errors in in-  
14 formation that is provided by a producer  
15 for the purpose of obtaining coverage  
16 under any policy or plan of insurance made  
17 available under this subtitle to ensure that  
18 the eligibility information is correct;

19                           “(ii) within a reasonable amount of  
20 time following—

21                                   “(I) the acreage reporting date,  
22 to correct unintentional errors in fac-  
23 tual information that is provided by a  
24 producer after the sales closing date  
25 to reconcile the information with the

1 information reported by the producer  
2 to the Farm Service Agency; or

3 “(II) the date of any subsequent  
4 correction of data by the Farm Serv-  
5 ice Agency made as a result of the  
6 verification of information; and

7 “(iii) at any time, to correct uninten-  
8 tional errors that were made by the Farm  
9 Service Agency or an agent or approved in-  
10 surance provider in transmitting the infor-  
11 mation provided by the producer to the ap-  
12 proved insurance provider or the Corpora-  
13 tion.

14 “(B) LIMITATION.—In accordance with the  
15 procedures of the Corporation, correction to the  
16 information described in clauses (i) and (ii) of  
17 subparagraph (A) may only be made if the cor-  
18 rections do not allow the producer—

19 “(i) to avoid ineligibility requirements  
20 for insurance;

21 “(ii) to obtain, enhance, or increase  
22 an insurance guarantee or indemnity, or  
23 avoid premium owed, if a cause of loss ex-  
24 ists or has occurred before any correction  
25 has been made; or

1                   “(iii) to avoid an obligation or re-  
2                   quirement under any Federal or State law.

3                   “(C) EXCEPTION TO LATE FILING SANC-  
4                   TIONS.—Any corrections made pursuant to this  
5                   paragraph shall not be subject to any late filing  
6                   sanctions authorized in the reinsurance agree-  
7                   ment with the Corporation.”.

8 **SEC. 11019. IMPLEMENTATION.**

9                   Section 515 of the Federal Crop Insurance Act (7  
10 U.S.C. 1515) is amended—

11                   (1) in subsection (j), by striking paragraph (1)  
12                   and inserting the following new paragraph:

13                   “(1) SYSTEMS MAINTENANCE AND UP-  
14                   GRADES.—

15                   “(A) IN GENERAL.—The Secretary shall  
16                   maintain and upgrade the information manage-  
17                   ment systems of the Corporation used in the  
18                   administration and enforcement of this subtitle.

19                   “(B) REQUIREMENT.—

20                   “(i) IN GENERAL.—In maintaining  
21                   and upgrading the systems, the Secretary  
22                   shall ensure that new hardware and soft-  
23                   ware are compatible with the hardware and  
24                   software used by other agencies of the De-

1           partment to maximize data sharing and  
2           promote the purposes of this section.

3                   “(ii) ACREAGE REPORT STREAM-  
4           LINING INITIATIVE PROJECT.—As soon as  
5           practicable, the Secretary shall develop and  
6           implement an acreage report streamlining  
7           initiative project to allow producers to re-  
8           port acreage and other information directly  
9           to the Department.”; and

10           (2) in subsection (k), by striking paragraph (1)  
11           and inserting the following new paragraph:

12                   “(1) INFORMATION TECHNOLOGY.—

13                           “(A) IN GENERAL.—For purposes of sub-  
14           section (j)(1), the Corporation may use, from  
15           amounts made available from the insurance  
16           fund established under section 516(c), not more  
17           than—

18                                   “(i)(I) for fiscal year 2014,  
19                                   \$25,000,000; and

20                                   “(II) for each of fiscal years 2015  
21                                   through 2018, \$10,000,000; or

22                                   “(ii) if the Acreage Crop Reporting  
23                                   Streamlining Initiative (ACRSI) project is  
24                                   substantially completed by September 30,

1                   2015, not more than \$15,000,000 for each  
2                   of the fiscal years 2015 through 2018.

3                   “(B) NOTIFICATION.—The Secretary shall  
4                   notify the Committee on Agriculture of the  
5                   House of Representatives and the Committee  
6                   on Agriculture, Nutrition, and Forestry of the  
7                   Senate of the substantial completion of the  
8                   Acreage Crop Reporting Streamlining Initiative  
9                   (ACRSI) project not later than July 1, 2015.”.

10 **SEC. 11020. RESEARCH AND DEVELOPMENT PRIORITIES.**

11           (a) **AUTHORITY TO CONDUCT RESEARCH AND DE-**  
12 **VELOPMENT, PRIORITIES.**—Section 522(c) of the Federal  
13 Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

14                   (1) in the subsection heading by striking “CON-

15                   TRACTING”;

16                   (2) in paragraph (1), in the matter preceding

17                   subparagraph (A), by striking “may enter into con-

18                   tracts to carry out research and development to”

19                   and inserting “may conduct activities or enter into

20                   contracts to carry out research and development to

21                   maintain or improve existing policies or develop new

22                   policies to”;

23                   (3) in paragraph (2)—

1 (A) in subparagraph (A), by inserting  
2 “conduct research and development or” after  
3 “The Corporation may”; and

4 (B) in subparagraph (B), by inserting  
5 “conducting research and development or” after  
6 “Before”;

7 (4) in paragraph (5), by inserting “after expert  
8 review in accordance with section 505(e)” after “ap-  
9 proved by the Board”; and

10 (5) in paragraph (6), by striking “a pasture,  
11 range, and forage program” and inserting “policies  
12 that increase participation by producers of under-  
13 served agricultural commodities, including sweet sor-  
14 ghum, biomass sorghum, rice, peanuts, sugarcane,  
15 alfalfa, and specialty crops”.

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

18 (1) in paragraph (2)—

19 (A) by striking “(A) AUTHORITY.—” and  
20 inserting “(A) CONDUCTING AND CONTRACTING  
21 FOR RESEARCH AND DEVELOPMENT.—”;

22 (B) in subparagraph (A), by inserting  
23 “conduct research and development and” after  
24 “the Corporation may use to”; and

1 (C) in subparagraph (B), by inserting  
2 “conduct research and development and” after  
3 “for the fiscal year to”;

4 (2) in paragraph (3), by striking “to provide ei-  
5 ther reimbursement payments or contract pay-  
6 ments”; and

7 (3) by striking paragraph (4).

8 **SEC. 11021. ADDITIONAL RESEARCH AND DEVELOPMENT**  
9 **CONTRACTING REQUIREMENTS.**

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

12 (1) by redesignating paragraph (17) as para-  
13 graph (23); and

14 (2) by inserting after paragraph (16), the fol-  
15 lowing new paragraphs:

16 “(17) MARGIN COVERAGE FOR CATFISH.—

17 “(A) IN GENERAL.—The Corporation shall  
18 offer to enter into a contract with a qualified  
19 entity to conduct research and development re-  
20 garding a policy to insure producers against re-  
21 duction in the margin between the market value  
22 of catfish and selected costs incurred in the  
23 production of catfish.

24 “(B) ELIGIBILITY.—Eligibility for the pol-  
25 icy described in subparagraph (A) shall be lim-

1           ited to freshwater species of catfish that are  
2           propagated and reared in controlled or selected  
3           environments.

4           “(C) IMPLEMENTATION.—The Board shall  
5           review the policy described in subparagraph (B)  
6           under subsection 508(h) and approve the policy  
7           if the Board finds that the policy—

8                   “(i) will likely result in a viable and  
9                   marketable policy consistent with this sub-  
10                  section;

11                   “(ii) would provide crop insurance  
12                   coverage in a significantly improved form;

13                   “(iii) adequately protects the interests  
14                   of producers; and

15                   “(iv) the proposed policy meets other  
16                   requirements of this subtitle determined  
17                   appropriate by the Board.

18           “(18) BIOMASS AND SWEET SORGHUM ENERGY  
19           CROP INSURANCE POLICIES.—

20           “(A) AUTHORITY.—The Corporation shall  
21           offer to enter into 1 or more contracts with  
22           qualified entities to carry out research and de-  
23           velopment regarding—

24                   “(i) a policy to insure biomass sor-  
25                   ghum that is grown expressly for the pur-

1           pose of producing a feedstock for renew-  
2           able biofuel, renewable electricity, or  
3           biobased products; and

4                   “(ii) a policy to insure sweet sorghum  
5           that is grown for a purpose described in  
6           clause (i).

7                   “(B) RESEARCH AND DEVELOPMENT.—  
8           Research and development with respect to each  
9           of the policies required in subparagraph (A)  
10          shall evaluate the effectiveness of risk manage-  
11          ment tools for the production of biomass sor-  
12          ghum or sweet sorghum, including policies and  
13          plans of insurance that—

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

16                   “(ii) to the extent that insufficient  
17          data exist to develop a policy based on  
18          market prices and yields, evaluate the poli-  
19          cies and plans of insurance based on the  
20          use of weather indices, including excessive  
21          or inadequate rainfall, to protect the inter-  
22          est of crop producers; and

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

1           “(19) STUDY ON SWINE CATASTROPHIC DIS-  
2           EASE PROGRAM.—

3           “(A) IN GENERAL.—The Corporation shall  
4           contract with a qualified person to conduct a  
5           study to determine the feasibility of insuring  
6           swine producers for a catastrophic event.

7           “(B) REPORT.—Not later than 1 year  
8           after the date of the enactment of this para-  
9           graph, the Corporation shall submit to the  
10          Committee on Agriculture of the House of Rep-  
11          resentatives and the Committee on Agriculture,  
12          Nutrition, and Forestry of the Senate a report  
13          that describes the results of the study con-  
14          ducted under subparagraph (A).

15          “(20) WHOLE FARM DIVERSIFIED RISK MAN-  
16          AGEMENT INSURANCE PLAN.—

17          “(A) IN GENERAL.—The Corporation shall  
18          conduct activities or enter into contracts to  
19          carry out research and development to develop  
20          a whole farm risk management insurance plan,  
21          with a liability limitation of \$1,000,000, that  
22          allows a diversified crop or livestock producer  
23          the option to qualify for an indemnity if actual  
24          gross farm revenue is below 85 percent of the  
25          average gross farm revenue or the expected

1 gross farm revenue that can reasonably be ex-  
2 pected of the producer, as determined by the  
3 Corporation.

4 “(B) ELIGIBLE PRODUCERS.—The Cor-  
5 poration shall permit producers (including di-  
6 rect-to-consumer marketers and producers serv-  
7 icing local and regional and farm identity-pre-  
8 served markets) who produce multiple agricul-  
9 tural commodities, including specialty crops, in-  
10 dustrial crops, livestock, and aquaculture prod-  
11 ucts, to participate in the plan in lieu of any  
12 other plan under this subtitle.

13 “(C) DIVERSIFICATION.—The Corporation  
14 may provide diversification-based additional  
15 coverage payment rates, premium discounts, or  
16 other enhanced benefits in recognition of the  
17 risk management benefits of crop and livestock  
18 diversification strategies for producers that  
19 grow multiple crops or that may have income  
20 from the production of livestock that uses a  
21 crop grown on the farm.

22 “(D) MARKET READINESS.—The Corpora-  
23 tion may include coverage for the value of any  
24 packing, packaging, or any other similar on-  
25 farm activity the Corporation determines to be

1           the minimum required in order to remove the  
2           commodity from the field.

3           “(E) REPORT.—Not later than 2 years  
4           after the date of enactment of this paragraph,  
5           the Corporation shall submit to the Committee  
6           on Agriculture of the House of Representatives  
7           and the Committee on Agriculture, Nutrition,  
8           and Forestry of the Senate a report that de-  
9           scribes the results and feasibility of the re-  
10          search and development conducted under this  
11          paragraph, including an analysis of potential  
12          adverse market distortions.

13          “(21) STUDY ON POULTRY CATASTROPHIC DIS-  
14          EASE PROGRAM.—

15                 “(A) IN GENERAL.—The Corporation shall  
16                 contract with a qualified person to conduct a  
17                 study to determine the feasibility of insuring  
18                 poultry producers for a catastrophic event.

19                 “(B) REPORT.—Not later than 1 year  
20                 after the date of the enactment of this para-  
21                 graph, the Corporation shall submit to the  
22                 Committee on Agriculture of the House of Rep-  
23                 resentatives and the Committee on Agriculture,  
24                 Nutrition, and Forestry of the Senate a report

1           that describes the results of the study con-  
2           ducted under subparagraph (A).

3           “(22) POULTRY BUSINESS INTERRUPTION IN-  
4           SURANCE POLICY.—

5                   “(A) AUTHORITY.—The Corporation shall  
6           offer to enter into a contract or cooperative  
7           agreement with a university or other legal enti-  
8           ty to carry out research and development re-  
9           garding a policy to insure the commercial pro-  
10          duction of poultry against business interrup-  
11          tions caused by integrator bankruptcy.

12                   “(B) RESEARCH AND DEVELOPMENT.—As  
13          part of the research and development conducted  
14          pursuant to a contract or cooperative agreement  
15          entered into under subparagraph (A), the entity  
16          shall—

17                           “(i) evaluate the market place for  
18           business interruption insurance that is  
19           available to poultry growers;

20                           “(ii) determine what statutory author-  
21           ity would be necessary to implement a  
22           business interruption insurance through  
23           the Corporation;

24                           “(iii) assess the feasibility of a policy  
25           or plan of insurance offered under this

1 subtitle to insure against losses due to the  
2 bankruptcy of an business integrator; and  
3 “(iv) analyze the costs to the Federal  
4 Government of a Federal business inter-  
5 ruption insurance program for poultry  
6 growers.

7 “(C) DEFINITIONS.—In this paragraph,  
8 the terms ‘poultry’ and ‘poultry grower’ have  
9 the meanings given those terms in section 2(a)  
10 of the Packers and Stockyards Act, 1921 (7  
11 U.S.C. 182(a)).

12 “(D) DEADLINE FOR CONTRACT OR COOP-  
13 ERATIVE AGREEMENT.—Not later than six  
14 months after the date of the enactment of this  
15 paragraph, the Corporation shall enter into the  
16 contract or cooperative agreement required by  
17 subparagraph (A).

18 “(E) DEADLINE FOR COMPLETION OF RE-  
19 SEARCH AND DEVELOPMENT.—Not later than  
20 one year after the date of the enactment of this  
21 paragraph, the Corporation shall submit to the  
22 Committee on Agriculture of the House of Rep-  
23 resentatives and the Committee on Agriculture,  
24 Nutrition, and Forestry of the Senate a report  
25 that describes the results of the research and

1 development conducted pursuant to the contract  
2 or cooperative agreement entered into under  
3 subparagraph (A).”.

4 **SEC. 11022. PROGRAM COMPLIANCE PARTNERSHIPS.**

5 Paragraph (1) of section 522(d) of the Federal Crop  
6 Insurance Act (7 U.S.C. 1522(d)) is amended to read as  
7 follows:

8 “(1) PURPOSE.—The purpose of this subsection  
9 is to authorize the Corporation to enter into partner-  
10 ships with public and private entities for the purpose  
11 of either—

12 “(A) increasing the availability of loss miti-  
13 gation, financial, and other risk management  
14 tools for producers, with a priority given to risk  
15 management tools for producers of agricultural  
16 commodities covered by section 196 of the Agri-  
17 cultural Market Transition Act (7 U.S.C.  
18 7333), specialty crops, and underserved agricul-  
19 tural commodities; or

20 “(B) improving analysis tools and tech-  
21 nology regarding compliance or identifying and  
22 using innovative compliance strategies.”.

23 **SEC. 11023. PILOT PROGRAMS.**

24 Section 523(a) of the Federal Crop Insurance Act (7  
25 U.S.C. 1523(a)) is amended—

1           (1) in paragraph (1), by inserting “, at the sole  
2           discretion of the Corporation,” after “may”; and  
3           (2) by striking paragraph (5).

4 **SEC. 11024. TECHNICAL AMENDMENTS.**

5           (a) **ELIGIBILITY FOR DEPARTMENT PROGRAMS.—**  
6 Section 508(b) of the Federal Crop Insurance Act (7  
7 U.S.C. 1508(b)) is amended—

8           (1) by striking paragraph (7); and

9           (2) by redesignating paragraphs (8) through  
10          (11) as paragraphs (7) through (10), respectively.

11          (b) **EXCLUSIONS TO ASSISTANCE FOR LOSSES DUE**  
12 **TO DROUGHT CONDITIONS.—**

13           (1) **IN GENERAL.—**Section 531(d)(3)(A) of the  
14 Federal Crop Insurance Act (7 U.S.C.  
15 1531(d)(3)(A)) is amended—

16           (A) by striking “(A) **ELIGIBLE LOSSES.—**  
17           ” and all that follows through “An eligible” in  
18           clause (i) and inserting the following:

19           “**(A) ELIGIBLE LOSSES.—**An eligible”;

20           (B) by striking clause (ii); and

21           (C) by redesignating subclauses (I) and  
22           (II) as clauses (i) and (ii), respectively, and in-  
23           denting appropriately.

1           (2) CONFORMING AMENDMENT.—Section  
2           901(d)(3)(A) of the Trade Act of 1974 (19 U.S.C.  
3           2497(d)(3)(A)) is amended—

4                   (A) by striking “(A) ELIGIBLE LOSSES.—  
5                   ” and all that follows through “An eligible” in  
6                   clause (i) and inserting the following:

7                           “(A) ELIGIBLE LOSSES.—An eligible”;

8                           (B) by striking clause (ii); and

9                           (C) by redesignating subclauses (I) and  
10                          (II) as clauses (i) and (ii), respectively, and in-  
11                          denting appropriately.

## 12           **TITLE XII—MISCELLANEOUS**

### 13                   **Subtitle A—Livestock**

#### 14           **SEC. 12101. NATIONAL SHEEP INDUSTRY IMPROVEMENT** 15                   **CENTER.**

16           Section 375(e)(6)(C) of the Consolidated Farm and  
17           Rural Development Act (7 U.S.C. 2008j(e)(6)(C)) is  
18           amended by striking “2012” and inserting “2018”.

#### 19           **SEC. 12102. TRICHINAE CERTIFICATION PROGRAM.**

20           (a) ALTERNATIVE CERTIFICATION PROCESS.—The  
21           Secretary of Agriculture shall amend the rule made under  
22           paragraph (2) of section 11010(a) of the Food, Conserva-  
23           tion, and Energy Act of 2008 (7 U.S.C. 8304(a)) to imple-  
24           ment the voluntary trichinae certification program estab-  
25           lished under paragraph (1) of such section, to include a

1 requirement to establish an alternative trichinae certifi-  
2 cation process based on surveillance or other methods con-  
3 sistent with international standards for categorizing com-  
4 partments as having negligible risk for trichinae.

5 (b) FINAL REGULATIONS.—Not later than one year  
6 after the date on which the international standards re-  
7 ferred to in subsection (a) are adopted, the Secretary shall  
8 finalize the rule amended under such subsection.

9 (c) REAUTHORIZATION.—Section 10405(d)(1) of the  
10 Animal Health Protection Act (7 U.S.C. 8304(d)(1)) is  
11 amended in subparagraphs (A) and (B) by striking  
12 “2012” each place it appears and inserting “2018”.

13 **SEC. 12103. NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

14 Section 11013(d) of the Food, Conservation, and En-  
15 ergy Act of 2008 (7 U.S.C. 8322(d)) is amended by strik-  
16 ing “2012” and inserting “2018”.

17 **SEC. 12104. COUNTRY OF ORIGIN LABELING.**

18 (a) IN GENERAL.—Not later than 180 days after the  
19 date of the enactment of this Act, the Secretary of Agri-  
20 culture, acting through the Office of the Chief Economist,  
21 shall conduct an economic analysis of the proposed rule  
22 entitled “Mandatory Country of Origin Labeling of Beef,  
23 Pork, Lamb, Chicken, Goat Meat, Wild and Farm-raised  
24 Fish and Shellfish, Perishable Agricultural Commodities,  
25 Peanuts, Pecans, Ginseng and Macadamia Nuts” pub-

1 lished by the Department of Agriculture on March 12,  
2 2013 (76 Fed. Reg. 15645).

3 (b) CONTENTS.—The economic analysis described in  
4 subsection (a) shall include, with respect to the labeling  
5 of beef, pork, and chicken, an analysis of the impact on  
6 consumers, producers, and packers in the United States  
7 of—

8 (1) the implementation of subtitle D of the Agri-  
9 cultural Marketing Act of 1946 (7 U.S.C. 1638 et  
10 seq.); and

11 (2) the proposed rule referred to in subsection  
12 (a).

13 **SEC. 12105. NATIONAL ANIMAL HEALTH LABORATORY NET-**  
14 **WORK.**

15 Subtitle E of title X of the Farm Security and Rural  
16 Investment Act of 2002 (7 U.S.C. 8301 et seq.) is amend-  
17 ed by inserting after section 10409 the following new sec-  
18 tion:

19 **“SEC. 10409A. NATIONAL ANIMAL HEALTH LABORATORY**  
20 **NETWORK.**

21 “(a) IN GENERAL.—The Secretary shall enter into  
22 contracts, grants, cooperative agreements, or other legal  
23 instruments with eligible laboratories for any of the fol-  
24 lowing purposes:

1           “(1) To enhance the capability of the Secretary  
2           to detect, and respond in a timely manner to, emerg-  
3           ing or existing threats to animal health and to sup-  
4           port the protection of public health, the environ-  
5           ment, and the agricultural economy of the United  
6           States.

7           “(2) To provide the capacity and capability for  
8           standardized—

9                   “(A) test procedures, reference materials,  
10                   and equipment;

11                   “(B) laboratory biosafety and biosecurity  
12                   levels;

13                   “(C) quality management system require-  
14                   ments;

15                   “(D) interconnected electronic reporting  
16                   and transmission of data; and

17                   “(E) evaluation for emergency prepared-  
18                   ness.

19           “(3) To coordinate the development, implemen-  
20           tation, and enhancement of national veterinary diag-  
21           nostic laboratory capabilities, with special emphasis  
22           on surveillance planning and vulnerability analysis,  
23           technology development and validation, training, and  
24           outreach.

1       “(b) ELIGIBILITY.—An eligible laboratory under this  
2 section is a diagnostic laboratory meeting specific criteria  
3 developed by the Secretary, in consultation with State ani-  
4 mal health officials and State and university veterinary di-  
5 agnostic laboratories.

6       “(c) PRIORITY.—To the extent practicable and to the  
7 extent capacity and specialized expertise may be nec-  
8 essary, the Secretary shall give priority to existing Fed-  
9 eral, State, and university facilities.

10       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated to carry out this section  
12 \$15,000,000 for each of fiscal years 2014 through 2018.”.

13       **Subtitle B—Socially Disadvantaged**  
14       **Producers and Limited Re-**  
15       **source Producers**

16       **SEC. 12201. OUTREACH AND ASSISTANCE FOR SOCIALLY**  
17                               **DISADVANTAGED FARMERS AND RANCHERS**  
18                               **AND VETERAN FARMERS AND RANCHERS.**

19       (a) OUTREACH AND ASSISTANCE FOR SOCIALLY DIS-  
20 ADVANTAGED FARMERS AND RANCHERS AND VETERAN  
21 FARMERS AND RANCHERS.—Section 2501 of the Food,  
22 Agriculture, Conservation, and Trade Act of 1990 (7  
23 U.S.C. 2279) is amended—

1 (1) in the section heading, by inserting “**AND**  
2 **VETERAN FARMERS AND RANCHERS**” after  
3 “**RANCHERS**”;

4 (2) in subsection (a)—

5 (A) in paragraph (1), by inserting “and  
6 veteran farmers or ranchers” after “ranchers”;

7 (B) in paragraph (2)(B)(i), by inserting  
8 “and veteran farmers or ranchers” after  
9 “ranchers”; and

10 (C) in paragraph (4)—

11 (i) in subparagraph (A)—

12 (I) in the heading of such sub-  
13 paragraph, by striking “2012” and  
14 insering “2018”;

15 (II) in clause (i), by striking  
16 “and” at the end;

17 (III) in clause (ii), by striking  
18 the period at the end and inserting “;  
19 and”;

20 (IV) by adding at the end the fol-  
21 lowing new clause:

22 “(iii) \$10,000,000 for each of fiscal  
23 years 2014 through 2018.”; and

24 (ii) by adding at the end the following  
25 new subparagraph:

1           “(E) AUTHORIZATION OF APPROPRIA-  
2           TIONS.—There are authorized to be appro-  
3           priated to carry out this section \$20,000,000  
4           for each of fiscal years 2014 through 2018.”;

5           (3) in subsection (b)(2), by inserting “or vet-  
6           eran farmers and ranchers” after “socially disadvan-  
7           taged farmers and ranchers”;

8           (4) in subsection (c)—

9           (A) in paragraph (1)(A), by inserting “vet-  
10          eran farmers or ranchers and” before “mem-  
11          bers”; and

12          (B) in paragraph (2)(A), by inserting “vet-  
13          eran farmers or ranchers and” before “mem-  
14          bers”; and

15          (5) in subsection (e)(5)(A)—

16          (A) in clause (i), by inserting “and veteran  
17          farmers or ranchers” after “ranchers”; and

18          (B) in clause (ii), by inserting “and vet-  
19          eran farmers or ranchers” after “ranchers”.

20          (b) DEFINITION OF VETERAN FARMER OR RANCH-  
21          ER.—Section 2501(e) of the Food, Agriculture, Conserva-  
22          tion, and Trade Act of 1990 (7 U.S.C. 2279(e)) is amend-  
23          ed by adding at the end the following new paragraph:

24                 “(7) VETERAN FARMER OR RANCHER.—The  
25          term ‘veteran farmer or rancher’ means a farmer or

1 rancher who served in the active military, naval, or  
2 air service, and who was discharged or released from  
3 the service under conditions other than dishonor-  
4 able.”.

5 **SEC. 12202. OFFICE OF ADVOCACY AND OUTREACH.**

6 Paragraph (3) of section 226B(f) of the Department  
7 of Agriculture Reorganization Act of 1994 (7 U.S.C.  
8 6934(f)) is amended to read as follows:

9 “(3) AUTHORIZATION OF APPROPRIATIONS.—

10 There are authorized to be appropriated to carry out  
11 this subsection—

12 “(A) such sums as are necessary for each  
13 of fiscal years 2009 through 2013; and

14 “(B) \$2,000,000 for each of fiscal years  
15 2014 through 2018.”.

16 **Subtitle C—Other Miscellaneous**  
17 **Provisions**

18 **SEC. 12301. GRANTS TO IMPROVE SUPPLY, STABILITY,**  
19 **SAFETY, AND TRAINING OF AGRICULTURAL**  
20 **LABOR FORCE.**

21 Subsection (d) of section 14204 of the Food, Con-  
22 servation, and Energy Act of 2008 (7 U.S.C. 2008q-1)  
23 is amended to read as follows:

1       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated to carry out this sec-  
3 tion—

4               “(1) such sums as are necessary for each of fis-  
5 cal years 2008 through 2013; and

6               “(2) \$10,000,000 for each of fiscal years 2014  
7 through 2018.”.

8 **SEC. 12302. PROGRAM BENEFIT ELIGIBILITY STATUS FOR**  
9                               **PARTICIPANTS IN HIGH PLAINS WATER**  
10                              **STUDY.**

11       Section 2901 of the Food, Conservation, and Energy  
12 Act of 2008 (Public Law 110–246; 122 Stat. 1818) is  
13 amended by striking “this Act or an amendment made by  
14 this Act” and inserting “this Act, an amendment made  
15 by this Act, the Federal Agriculture Reform and Risk  
16 Management Act of 2013, or an amendment made by the  
17 Federal Agriculture Reform and Risk Management Act of  
18 2013”.

19 **SEC. 12303. OFFICE OF TRIBAL RELATIONS.**

20       (a) IN GENERAL.—Title III of the Federal Crop In-  
21 surance Reform and Department of Agriculture Reorga-  
22 nization Act of 1994 is amended by adding after section  
23 308 (7 U.S.C. 3125a note; Public Law 103–354) the fol-  
24 lowing new section:

1 **“SEC. 309. OFFICE OF TRIBAL RELATIONS.**

2 “The Secretary shall establish in the Office of the  
3 Secretary an Office of Tribal Relations to advise the Sec-  
4 retary on policies related to Indian tribes.”.

5 (b) CONFORMING AMENDMENT.—Section 296(b) of  
6 the Department of Agriculture Reorganization Act of  
7 1994 (7 U.S.C. 7014(b)) is amended by inserting after  
8 paragraph (8), as added by section 3207, the following  
9 new paragraph:

10 “(9) the authority of the Secretary to establish  
11 in the Office of the Secretary the Office of Tribal  
12 Relations in accordance with section 309; and”.

13 **SEC. 12304. MILITARY VETERANS AGRICULTURAL LIAISON.**

14 (a) IN GENERAL.—Subtitle A of the Department of  
15 Agriculture Reorganization Act of 1994 is amended by in-  
16 serting after section 218 (7 U.S.C. 6918) the following  
17 new section:

18 **“SEC. 219. MILITARY VETERANS AGRICULTURAL LIAISON.**

19 “(a) AUTHORIZATION.—The Secretary shall establish  
20 in the Department the position of Military Veterans Agri-  
21 cultural Liaison.

22 “(b) DUTIES.—The Military Veterans Agricultural  
23 Liaison shall—

24 “(1) provide information to returning veterans  
25 about, and connect returning veterans with, begin-  
26 ning farmer training and agricultural vocational and

1 rehabilitation programs appropriate to the needs and  
2 interests of returning veterans, including assisting  
3 veterans in using Federal veterans educational bene-  
4 fits for purposes relating to beginning a farming or  
5 ranching career;

6 “(2) provide information to veterans concerning  
7 the availability of and eligibility requirements for  
8 participation in agricultural programs, with par-  
9 ticular emphasis on beginning farmer and rancher  
10 programs;

11 “(3) serve as a resource for assisting veteran  
12 farmers and ranchers, and potential farmers and  
13 ranchers, in applying for participation in agricul-  
14 tural programs; and

15 “(4) advocate on behalf of veterans in inter-  
16 actions with employees of the Department.”.

17 (b) CONFORMING AMENDMENT.—Section 296(b) of  
18 the Department of Agriculture Reorganization Act of  
19 1994 (7 U.S.C. 7014(b)) is amended by inserting after  
20 paragraph (9), as added by section 12303, the following  
21 new paragraph:

22 “(10) the authority of the Secretary to establish  
23 in the Department the position of Military Veterans  
24 Agricultural Liaison in accordance with section  
25 219.”.

1 **SEC. 12305. PROHIBITION ON KEEPING GSA LEASED CARS**  
2 **OVERNIGHT.**

3 A Federal employee of a State office of the Farm  
4 Service Agency in the field and non-Federal employees of  
5 county and area committees established under section  
6 8(b)(5) of the Soil Conservation and Domestic Allotment  
7 Act (16 U.S.C. 590h(b)(5)) shall keep leased interagency  
8 motor pool vehicles at a location listed on the General  
9 Services Administration inventory of owned and leased  
10 properties or a location owned or leased by the Depart-  
11 ment of Agriculture overnight unless the employee as-  
12 signed the vehicle is on overnight, approved travel status  
13 involving per diem.

14 **SEC. 12306. NONINSURED CROP ASSISTANCE PROGRAM.**

15 Section 196 of the Federal Agriculture Improvement  
16 and Reform Act of 1996 (7 U.S.C. 7333), as amended  
17 by section 11013(b), is further amended—

18 (1) in subsection (a)—

19 (A) by striking paragraph (1) and insert-  
20 ing the following new paragraph:

21 “(1) IN GENERAL.—

22 “(A) COVERAGES.—In the case of an eligi-  
23 ble crop described in paragraph (2), the Sec-  
24 retary of Agriculture shall operate a noninsured  
25 crop disaster assistance program to provide cov-

1 erages based on individual yields (other than  
2 for value-loss crops) equivalent to—

3 “(i) catastrophic risk protection avail-  
4 able under section 508(b) of the Federal  
5 Crop Insurance Act (7 U.S.C. 1508(b)); or

6 “(ii) additional coverage available  
7 under subsections (c) and (h) of section  
8 508 of that Act (7 U.S.C. 1508) that does  
9 not exceed 65 percent.

10 “(B) ADMINISTRATION.—The Secretary  
11 shall carry out this section through the Farm  
12 Service Agency (referred to in this section as  
13 the ‘Agency’).”; and

14 (B) in paragraph (2)—

15 (i) in subparagraph (A)—

16 (I) in clause (i), by striking  
17 “and” after the semicolon at the end;

18 (II) by redesignating clause (ii)  
19 as clause (iii); and

20 (III) by inserting after clause (i)  
21 the following new clause:

22 “(ii) for which additional cov-  
23 erage under subsections (c) and (h) of  
24 section 508 of that Act (7 U.S.C.  
25 1508) is not available; and”; and

1 (ii) in subparagraph (B), by inserting  
2 “sweet sorghum, biomass sorghum,” before  
3 “and industrial crops”;

4 (2) in subsection (d), by striking “The Sec-  
5 retary” and inserting “Subject to subsection (l), the  
6 Secretary”; and

7 (3) by adding at the end the following new sub-  
8 section:

9 “(l) PAYMENT EQUIVALENT TO ADDITIONAL COV-  
10 ERAGE.—

11 “(1) IN GENERAL.—The Secretary shall make  
12 available to a producer eligible for noninsured assist-  
13 ance under this section a payment equivalent to an  
14 indemnity for additional coverage under subsections  
15 (c) and (h) of section 508 of the Federal Crop In-  
16 surance Act (7 U.S.C. 1508) that does not exceed  
17 65 percent of the established yield for the eligible  
18 crop on the farm, computed by multiplying—

19 “(A) the quantity that is not greater than  
20 65 percent of the established yield for the crop,  
21 as determined by the Secretary, specified in in-  
22 crements of 5 percent;

23 “(B) 100 percent of the average market  
24 price for the crop, as determined by the Sec-  
25 retary; and

1           “(C) a payment rate for the type of crop,  
2           as determined by the Secretary, that reflects—

3                   “(i) in the case of a crop that is pro-  
4                   duced with a significant and variable har-  
5                   vesting expense, the decreasing cost in-  
6                   curred in the production cycle for the crop  
7                   that is, as applicable—

8                           “(I) harvested;

9                           “(II) planted but not harvested;

10                           or

11                           “(III) prevented from being  
12                           planted because of drought, flood, or  
13                           other natural disaster, as determined  
14                           by the Secretary; or

15                           “(ii) in the case of a crop that is pro-  
16                           duced without a significant and variable  
17                           harvesting expense, such rate as shall be  
18                           determined by the Secretary.

19           “(2) PREMIUM.—To be eligible to receive a pay-  
20           ment under this subsection, a producer shall pay—

21                   “(A) the service fee required by subsection  
22                   (k); and

23                   “(B) a premium for the applicable crop  
24                   year that is equal to the product obtained by  
25                   multiplying—

1                   “(i) the number of acres devoted to  
2                   the eligible crop;

3                   “(ii) the established yield for the eligi-  
4                   ble crop, as determined by the Secretary  
5                   under subsection (e);

6                   “(iii) the coverage level elected by the  
7                   producer;

8                   “(iv) the average market price, as de-  
9                   termined by the Secretary; and

10                   “(v) .0525.

11                   “(3) LIMITED RESOURCE, BEGINNING, AND SO-  
12                   cially DISADVANTAGED FARMERS.—The additional  
13                   coverage made available under this subsection shall  
14                   be available to limited resource, beginning, and so-  
15                   cially disadvantaged producers, as determined by the  
16                   Secretary, in exchange for a premium that is 50 per-  
17                   cent of the premium determined for a producer  
18                   under paragraph (2).

19                   “(4) PREMIUM PAYMENT AND APPLICATION  
20                   DEADLINE.—

21                   “(A) PREMIUM PAYMENT.—A producer  
22                   electing additional coverage under this sub-  
23                   section shall pay the premium amount owed for  
24                   the additional coverage by September 30 of the

1 crop year for which the additional coverage is  
2 purchased.

3 “(B) APPLICATION DEADLINE.—The latest  
4 date on which additional coverage under this  
5 subsection may be elected shall be the applica-  
6 tion closing date described in subsection (b)(1).

7 “(5) EFFECTIVE DATE.—Additional coverage  
8 under this subsection shall be available beginning  
9 with the 2015 crop.”.

10 **SEC. 12307. ENSURING HIGH STANDARDS FOR AGENCY USE**  
11 **OF SCIENTIFIC INFORMATION.**

12 (a) REQUIREMENT FOR FINAL GUIDELINES.—Not  
13 later than January 1, 2014, each Federal agency shall  
14 have in effect guidelines for ensuring and maximizing the  
15 quality, objectivity, utility, and integrity of scientific infor-  
16 mation relied upon by such agency.

17 (b) CONTENT OF GUIDELINES.—The guidelines de-  
18 scribed in subsection (a), with respect to a Federal agency,  
19 shall ensure that—

20 (1) when scientific information is considered by  
21 the agency in policy decisions—

22 (A) the information is subject to well-es-  
23 tablished scientific processes, including peer re-  
24 view where appropriate;

1 (B) the agency appropriately applies the  
2 scientific information to the policy decision;

3 (C) except for information that is pro-  
4 tected from disclosure by law or administrative  
5 practice, the agency makes available to the pub-  
6 lic the scientific information considered by the  
7 agency;

8 (D) the agency gives greatest weight to in-  
9 formation that is based on experimental, empir-  
10 ical, quantifiable, and reproducible data that is  
11 developed in accordance with well-established  
12 scientific processes; and

13 (E) with respect to any proposed rule  
14 issued by the agency, such agency follows proce-  
15 dures that include, to the extent feasible and  
16 permitted by law, an opportunity for public  
17 comment on all relevant scientific findings;

18 (2) the agency has procedures in place to make  
19 policy decisions only on the basis of the best reason-  
20 ably obtainable scientific, technical, economic, and  
21 other evidence and information concerning the need  
22 for, consequences of, and alternatives to the deci-  
23 sion; and

24 (3) the agency has in place procedures to iden-  
25 tify and address instances in which the integrity of

1 scientific information considered by the agency may  
2 have been compromised, including instances in which  
3 such information may have been the product of a  
4 scientific process that was compromised.

5 (c) APPROVAL NEEDED FOR POLICY DECISIONS TO  
6 TAKE EFFECT.—No policy decision issued after January  
7 1, 2014, by an agency subject to this section may take  
8 effect prior to such date that the agency has in effect  
9 guidelines under subsection (a) that have been approved  
10 by the Director of the Office of Science and Technology  
11 Policy.

12 (d) POLICY DECISIONS NOT IN COMPLIANCE.—

13 (1) IN GENERAL.—Subject to paragraph (2), a  
14 policy decision of an agency that does not comply  
15 with guidelines approved under subsection (c) shall  
16 be deemed to be arbitrary, capricious, an abuse of  
17 discretion, and otherwise not in accordance with law.

18 (2) EXCEPTION.—This subsection shall not  
19 apply to policy decisions that are deemed to be nec-  
20 essary because of an imminent threat to health or  
21 safety or because of another emergency.

22 (e) DEFINITIONS.—For purposes of this section:

23 (1) AGENCY.—The term “agency” has the  
24 meaning given such term in section 551(1) of title  
25 5, United States Code.

1           (2) POLICY DECISION.—The term “policy deci-  
2           sion” means, with respect to an agency, an agency  
3           action as defined in section 551(13) of title 5,  
4           United States Code, (other than an adjudication, as  
5           defined in section 551(7) of such title), and in-  
6           cludes—

7                   (A) the listing, labeling, or other identifica-  
8                   tion of a substance, product, or activity as haz-  
9                   ardous or creating risk to human health, safety,  
10                  or the environment; and

11                  (B) agency guidance.

12           (3) AGENCY GUIDANCE.—The term “agency  
13           guidance” means an agency statement of general ap-  
14           plicability and future effect, other than a regulatory  
15           action, that sets forth a policy on a statutory, regu-  
16           latory, or technical issue or on an interpretation of  
17           a statutory or regulatory issue.